COMBATING TERRORISM: IN SEARCH OF A NATIONAL STRATEGY

HEARING

BEFORE THE

SUBCOMMITTEE ON NATIONAL SECURITY, VETERANS AFFAIRS AND INTERNATIONAL RELATIONS

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

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COMBATING TERRORISM: IN SEARCH OF A NATIONAL STRATEGY

TUESDAY, MARCH 27, 2001

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON NATIONAL SECURITY, VETERANS AFFAIRS AND INTERNATIONAL RELATIONS,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2247, Rayburn House Office Building, Hon. Christopher Shays (chairman of the subcommittee) presiding.

Present: Representatives Shays, Putnam, Lewis of Kentucky, Gilman, Kucinich, and Tierney.

Staff present: Lawrence J. Halloran, staff director and counsel; R. Nicholas Palarino, senior policy advisor; Thomas Costa, professional staff member; Jason Chung, clerk; Alex Moore, fellow; David Rapallo, minority counsel; Earley Green, minority assistant clerk; and Teresa Coufal, minority staff assistant.

Mr. SHAYS. A quorum being present, the Subcommittee on National Security, Veterans Affairs and International Relations' hearing entitled, "Combating Terrorism: In Search of a National Strategy," is called to order.

Last week we learned the stalled investigation of the Khobar Towers bombing that killed 19 Americans has been beset by a long-simmering power struggle between the FBI Director and the U.S. Attorney assigned to bring terrorism perpetrators to justice. Transfer of the case to another prosecutor may breathe new life into the 5-year-old inquiry, but the change is also a symptom of a suffocating problem plaguing the Federal effort to combat terrorism—in a word, "turf."

In 1995, the President designated the Federal Emergency Management Agency as the lead Federal agency for consequence management—the measures needed to protect life, restore essential services, and provide emergency relief after a terrorism event involving conventional, biological, chemical, or radiological weapons of mass destruction.

The FBI, part of the Department of Justice, was directed to lead crisis management—the measures needed to prevent or punish acts of terrorism.

Today, more than 40 Federal departments and agencies operate programs to deter, detect, prepare for, and respond to terrorist attacks. We put their names out to demonstrate how difficult it would be to get them all in one room, much less get them all to speak with one voice.

While some interagency cooperation and information sharing has begun, substantial barriers, including legislative mandates, still prevent a fully coordinated counterterrorism effort. As the organizational charts get more complex, the effort inevitably becomes less cohesive.

In our previous hearings, we found duplicative research programs and overlapping preparedness training. Despite expenditure of more than $9 billion last year, many local first responders still lack basic training and equipment.

According to our witnesses this morning, the fight against terrorism remains fragmented and unfocused, primarily because no overarching national strategy guides planning, directs spending, or disciplines bureaucratic balkanization. They will discuss recommendations for reform of counterterrorism programs that the new administration would be wise, very wise, to consider.

When pressed for a national strategy, the previous administration pointed to a pastiche of event-driven Presidential decision directives and an agency-specific 5-year plan. Reactive in vision and scope, that strategy changed only as we lurched from crisis to crisis, from Khobar to the U.S.S. *Cole,* from Oklahoma City to Dar es Salaam.

In January, the subcommittee wrote to Dr. Condoleeza Rice, the President's national security advisor, regarding the need for a clear national strategy to combat terrorism. The administration has begun a thorough review of current programs and policies. In deference to that review, the subcommittee will not receive testimony from executive agencies' witnesses today. They will appear at a future hearing. That hearing will be in the very near future.

Terrorists willing to die for their cause will not wait while we rearrange bureaucratic boxes on the organizational chart. Their strategy is clear. Their focus is keen. Their resources efficiently deployed. Our national security demands greater strategic clarity, sharper focus, and unprecedented coordination to confront the threat of terrorism today.

We look forward to the testimony of our very distinguished witnesses as we continue our oversight of these critical issues.

At this time I would like to recognize Dennis Kucinich, the ranking member of the committee.

[The prepared statement of Hon. Christopher Shays follows:]

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Statement of Rep. Christopher Shays

March 27, 2001

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Welcome. We look forward to your testimony.

Mr. KUCINICH. Thank you very much, Mr. Chairman, for calling this hearing.

I want to welcome the witnesses.

I have a prepared statement. I would like to insert it in the record and just note that I am hopeful that, as we review this counterterrorism program, that we would also have the opportunity to explore causal relationships in terrorism so that we may learn why our Nation feels it needs such a sweeping counterterrorism presence.

I thank you.

Mr. SHAYS. I thank the gentleman.

[The prepared statement of Hon. Dennis J. Kucinich follows:]

Opening Statement
Representative Dennis J. Kucinich

Ranking Member
Subcommittee on National Security,
Veterans Affairs, and International Relations

March 27, 2001

GOOD MORNING. LET ME WELCOME OUR DISTINGUISHED WITNESSES FROM THE VARIOUS COMMISSIONS, ADVISORY PANELS, AND THINK-TANKS. I AM GLAD YOU ALL COULD BE WITH US TODAY.

AS YOU KNOW, FIGHTING TERRORISM IN A GLOBAL ENVIRONMENT IS A COMPLEX TASK, ESPECIALLY FOR A COUNTRY SUCH AS OURS WITH IMPORTANT COMMERCIAL, POLITICAL, AND HUMANITARIAN INTERESTS WORLDWIDE.

ALTHOUGH THIS DIFFICULT TASK WILL CONTINUE TO CONFRONT US DAILY, IT IS IMPORTANT TO NOTE WHERE PROGRESS HAS BEEN MADE. THE CLINTON ADMINISTRATION FUNDAMENTALLY RE-CRAFTED THE WAY WE FIGHT TERRORISM. FOR THE FIRST TIME, THE CHIEF EXECUTIVE ISSUED PRESIDENTIAL DECISION DIRECTIVES THAT NOT ONLY RAISED THE PROFILE OF THIS ISSUE, BUT ASSIGNED SPECIFIC "LEAD AGENCY" RESPONSIBILITIES.

THE CLINTON ADMINISTRATION INCREASED FUNDING FOR COUNTER-TERRORISM, GAVE DIRECTION TO THESE EFFORTS BY ESTABLISHING INTER-AGENCY WORKING GROUPS, AND CREATED THE NEW POSITION OF NATIONAL COORDINATOR FOR SECURITY, INFRASTRUCTURE PROTECTION, AND COUNTER-TERRORISM.

THE ADMINISTRATION ALSO RAISED THE PROFILE OF DOMESTIC PREPAREDNESS. THROUGH SEVERAL PROGRAMS, THE ADMINISTRATION

PROVIDED TRAINING AND EQUIPMENT TO LOCAL FIRST RESPONDERS. WHEN THESE COMMUNITIES EXPERIENCED FRUSTRATION WITH THE VARIED FEDERAL REQUIREMENTS, THE ADMINISTRATION WAS RESPONSIVE — IT ESTABLISHED THE NATIONAL DOMESTIC PREPAREDNESS OFFICE TO PROVIDE "ONE STOP SHOPPING."

THESE INITIATIVES HAVE PROPELLED US FAR BEYOND OUR PREPAREDNESS OF EIGHT YEARS AGO. NEVERTHELESS, IT IS CLEAR THERE IS MUCH WORK TO BE DONE TO IMPROVE OUR EFFORTS IN COMBATING TERRORISM.

WHILE SOME DIFFERENCES EXIST, THERE SEEMS TO BE CONSENSUS ACROSS PARTY LINES AND AMONG VARIOUS ANALYSTS THAT A COMPREHENSIVE PLAN IS NEEDED. ALL OUR WITNESSES TODAY AGREE ON THE NEED FOR A NATIONAL STRATEGY. ALL HAVE PROPOSED IN THEIR TESTIMONY BOTH PREVENTIVE AND RESPONSIVE APPROACHES. ALL HAVE DISCUSSED THE IMPORTANCE OF AN INDIVIDUAL OR ENTITY THAT WILL FACILITATE COOPERATION BETWEEN AGENCIES AND BETWEEN STATES AND THE FEDERAL GOVERNMENT. ALL HAVE CITED THE INTEGRAL ROLE OF INTELLIGENCE-GATHERING.

GIVEN THIS, I FIND IT STRANGE THAT THERE HASN'T BEEN A MORE FRANK DISCUSSION OF THE NATURE OF THE THREAT FACING THE UNITED STATES. I AGREE WITH MR. HOFFMAN THAT WE NEED A "FIRMER UNDERSTANDING OF THE THREAT" TO DEVELOP A COMPREHENSIVE NATIONAL STRATEGY. BUT A TRUE UNDERSTANDING OF THE THREAT CANNOT BE GAINED BY ASSESSING "TERRORISM" IN ISOLATION. WE MUST CONSIDER ALL OF THE POTENTIAL THREATS TO AMERICA — WHETHER FROM TERRORIST GROUPS, FOREIGN STATES, OR DOMESTIC ORGANIZATIONS — AND UNDERSTAND THE RISKS THEY POSE.

I BELIEVE THAT WHEN WE DO THAT, WE MAY FIND THAT OUR PRIORITIES ARE SKEWED.

IN THE YEAR 2000, ANNUAL SPENDING TO COMBAT TERRORISM AMONG VARIOUS FEDERAL AGENCIES CREPT UP TO JUST OVER $10 BILLION, FROM AN ESTIMATED $4 BILLION AT THE START OF PRESIDENT CLINTON'S TERM. IN CONTRAST, NEARLY $60 BILLION HAS BEEN SPENT ON BALLISTIC MISSILE DEFENSE SYSTEMS SINCE 1983. ACCORDING TO MANY ESTIMATES, IT WILL TAKE $60 BILLION MORE BEFORE ANY TYPE OF SYSTEM IS DEPLOYED, NO EARLIER THAN 2006.

BASED ON THESE FIGURES, ONE WOULD THINK A MISSILE DEFENSE SYSTEM WOULD SAVE AT LEAST AS MANY LIVES AS ALL OTHER COUNTER-TERRORISM EFFORTS COMBINED. BUT THIS SUGGESTION IS PREPOSTEROUS.

FIRST, THE LIKELIHOOD OF A BALLISTIC MISSILE DEFENSE SYSTEM INTERCEPTING A MISSILE AIMED AT THE UNITED STATES IS SLIM. THE SYSTEM IN DEVELOPMENT HAS FAILED TWO CONSECUTIVE TESTS AND CAN BE OVERCOME BY THE SIMPLEST OF COUNTERMEASURES. ANY ENTITY WITH BALLISTIC MISSILE CAPABILITY WOULD HAVE ACCESS TO SUCH COUNTERMEASURES.

MORE IMPORTANTLY, THE LIKELIHOOD THAT SUCH A MISSILE WOULD BE LAUNCHED AGAINST THE UNITED STATES IS EVEN SLIMMER BECAUSE OF THE VIRTUAL CERTAINTY OF PROMPT AND MASSIVE RETALIATION. WHY WOULD A STATE OR OTHER ENTITY SPEED ITS OWN ANNIHILATION BY SENDING WHAT WOULD AMOUNT TO AN INTERCONTINENTAL CALLING CARD PROFESSING RESPONSIBILITY?

MUCH MORE EFFECTIVE — AND THUS A MUCH GREATER THREAT — WOULD BE AN INDIRECT ATTACK USING A SO-CALLED "POOR MAN'S NUKE" — A

BOMB MADE WITH RADIOACTIVE WASTE PRODUCTS, FOR EXAMPLE, STOLEN FROM A NUCLEAR REACTOR. WHEN DETONATED WITH CONVENTIONAL EXPLOSIVES AND DELIVERED IN A TRUCK, CONTAINER, OR SHIP, THIS METHOD WOULD BE INEXPENSIVE, LIKELY ANONYMOUS, AND — GIVEN THE ABUNDANCE OF UNSECURED FISSILE MATERIAL IN RUSSIA — EASILY MADE. SUCH A WEAPON COULD CAUSE CATASTROPHIC LOSS OF LIFE AND SOCIAL BREAKDOWN. UNSURE OF THE ATTACKER'S ORIGIN, AND OVERWHELMED ATTEMPTING TO COPE WITH THE TRAGEDY, OUR GOVERNMENT WOULD BE PARALYZED.

IN THIS CONTEXT, OUR MASSIVE INVESTMENT IN PROGRAMS LIKE MISSILE DEFENSE SEEMS MISDIRECTED, AND OUR CALL FOR MORE EFFECTIVE COUNTER-TERRORISM EFFORTS SEEMS HOLLOW.

SO I HOPE IN THIS HEARING WE CAN GO BEYOND THE PROGRAMMATIC DETAILS OF EFFORTS TO COMBAT TERRORISM AND DISCUSS FRANKLY THE OVERALL THREATS OUR NATION FACES AND THE PHILOSOPHY THAT UNDERLIES OUR EFFORTS TO ADDRESS THESE THREATS.

THANK YOU, MR. CHAIRMAN.

Mr. SHAYS. At this time I recognize the vice chairman, Adam Putnam.

Mr. PUTNAM. Thank you, Mr. Chairman. I also have a statement to submit for the record, but I appreciate your calling this hearing. Clearly, as the charts around us indicate, the national strategy against terrorism is that there is not one national strategy against terrorism.

Recent events—Khobar, Oklahoma City, a number of other places around the world—have clearly indicated the need for us to further refine our efforts and our preparations for these types of acts of violence against American citizens and our interests, and I look forward to the testimony from the witnesses.

Mr. SHAYS. Thank you.

I recognize Ron Lewis from Kentucky.

Mr. LEWIS OF KENTUCKY. Thank you, Mr. Chairman.

I would just like to welcome our witnesses. I'm looking forward to their testimony. This certainly is a complex problem, but we certainly need to be doing everything we can to solve this as soon as possible.

Thank you.

Mr. SHAYS. Thank you.

Before calling our witnesses and swearing them in, I just want to get rid of some housekeeping here and ask unanimous consent to insert into the hearing record a statement from the General Accounting Office discussing the fragmentation and lack of strategic focus in current Federal counterterrorism programs. Based on many of the studies and audits conducted for this subcommittee, GAO recommends greater use of Results Act principles to measure progress toward a truly national strategy.

Without objection, so ordered.

[The prepared statement of the General Accounting Office follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform, House of Representatives

For Release on Delivery
Expected at 10:00 a.m.
Tuesday,
March 27, 2001

COMBATING TERRORISM

Comments on Counterterrorism Leadership and National Strategy

Statement for the Record
Raymond J. Decker, Director
Defense Capabilities and Management

GAO-01-556T

Mr. Chairman and Members of the Subcommittee:

We are pleased to submit this statement for the record to comment on the need for overall leadership and a national strategy to combat terrorism. We have conducted extensive evaluations of programs to combat terrorism—many of them for this subcommittee—going back almost five years. We list our related reports and testimonies at the back of this statement. In fiscal year 2001, the federal government will spend approximately $11 billion to combat terrorism. In the event of a domestic terrorist incident, states and the affected local governments have the primary responsibility for managing the consequences of a terrorist attack. However, the federal government can assist state and local authorities if they lack the capability to respond adequately.

SUMMARY

Based on our prior and ongoing work, two key issues emerge that the new President and Congress will face concerning programs to combat terrorism. First, the overall leadership and management of such programs are fragmented within the federal government. No single entity acts as the federal government's top official accountable to both the President and Congress. Fragmentation exists in both coordination of domestic preparedness programs and in efforts to develop a national strategy. The Department of Justice worked with other agencies to develop the Attorney General's Five-Year Interagency Counterterrorism and Technology Crime Plan. While this plan is the current document that most resembles a national strategy, we believe it still lacks some critical elements to include measurable desired outcomes, linkage to resources, and a discussion of the role of state and local governments.

ADDRESSING OVERALL LEADERSHIP AND MANAGEMENT

Overall leadership and management efforts are fragmented because there is no single leader in charge of the many functions conducted by different federal departments and agencies. The President appointed a National Coordinator for Security, Infrastructure Protection and Counterterrorism within the National Security Council in May 1998 who was tasked to oversee a broad portfolio of policies and programs related to counterterrorism. However, this position had no budget authority over areas in which essential decisions were being made on federal efforts in combating terrorism. Furthermore, despite the creation of the National Coordinator, no single entity acts as the federal government's top official accountable to both the President and Congress.

Coordinating domestic preparedness programs is another example of fragmented leadership and management with the federal government. Our past work has concluded that the multiplicity of federal assistance programs requires focus and attention to minimize redundancy of efforts and eliminate confusion at the state and local level. Both the Federal Emergency Management Agency and Department of Justice provide liaison and assistance to state and local governments.

The Federal Emergency Management Agency provides grant assistance to the states to support state and local terrorism consequence management planning, training, and exercises. In addition, states work with two offices in the Department of Justice—the National Domestic Preparedness Office and the Office of State and Local Domestic Preparedness. Justice's National Domestic Preparedness Office was authorized by Congress in 1999 and established for the purpose of coordinating federal terrorism crisis and consequence preparedness programs for the state and local emergency response community.[1] The Office of State and Local Domestic Preparedness currently assists states in the development of their State Domestic Preparedness Strategic Plans. This effort includes funding, training, equipment acquisition, technical assistance, and exercise planning and execution. The overlap of federal efforts and lack of a single federal focal point for state and local assistance have highlighted the need for improved leadership and management.

Efforts to develop a national strategy provide additional evidence that there is fragmented leadership and management. In addition to the existing Attorney General's 5-year plan, the National Security Council and the Department of Justice's National Domestic Preparedness Office are each planning to develop national strategies. The danger in this proliferation of strategies is that state and local governments—which are already confused about the multitude of federal domestic preparedness agencies and programs—may become further frustrated about the direction, execution, and management of the overall effort.

Several recent congressional proposals, commission recommendations, and associations' remarks share our concerns about the fragmentation of leadership and management. Their observations suggest the usefulness of a single entity within the federal government to administer programs to combat domestic terrorism.

DEVELOPING A NATIONAL STRATEGY

Combating terrorism requires our nation to focus on a comprehensive national strategy. A national strategy should articulate a clear vision statement that defines what the nation hopes to achieve through its combating terrorism programs. Key aspects of the national strategy should include (1) roles and missions of federal, state, and local entities and (2) establish objectives, priorities, outcome-related goals with milestones, and performance measures to achieve those goals.[2] Ultimately, a national strategy should serve as an effective mechanism for ensuring that all elements of the national effort are clearly integrated and properly focused to eliminate gaps and duplication in programs to combat terrorism. Furthermore, this will provide a framework to guide top-level decisions affecting programs, priorities, and funding considerations.

[1] P.L. 106-113, Nov. 29, 1999.

[2] In our view, the national strategy should incorporate chief tenets of the Government Performance and Results Act of 1993 (P.L. 103-62). The Results Act holds federal agencies accountable for achieving program results and requires federal agencies to clarify their missions, set program goals, and measure performance toward achieving those goals.

In December 1998, the Department of Justice issued the Attorney General's Five-Year Plan as mandated by Congress.[3] Congress intended the plan to serve as a baseline for the coordination of a national strategy and operational capabilities to combat terrorism. This classified plan, which represents a substantial interagency effort, includes goals, objectives, performance indicators and recommends specific agency actions to resolve interagency problems. In March 2000, the Department of Justice released an update on the plan, which reported on the accomplishments made by various agencies during fiscal year 1999 on their assigned tasks. The Department of Justice contends that this plan, taken in combination with related presidential decision directives, represents a comprehensive national strategy. We agree that the Attorney General's Five-Year Plan is the current document that most resembles a national strategy. However, we believe that additional work is needed to build upon the progress the plan represents and develop a comprehensive national strategy. Specifically, additional progress should be made in the following areas.

- Based upon our review, the Five-Year Plan does not have measurable desired outcomes. We have reported that a national strategy should provide goals that are related to clearly defined outcomes. For example, the national strategy should include a goal to improve state and local response capabilities. Desired outcomes should be linked to a level of preparedness that response teams should achieve. Without this specificity in a national strategy, the nation will continue to miss opportunities to focus and shape combating terrorism programs to meet the threat.

- Also based upon our review, the Five-Year Plan also lacks linkage to budget resources. We have reported that the nation lacks a coherent framework to develop and evaluate budget requirements for combating terrorism programs since no national strategy exists with clearly defined outcomes. The establishment of a single focal point within the federal government for combating terrorism can provide a mechanism to direct and oversee combating terrorism funding. Moreover, this focal point could ensure that adequate funding is applied to key priorities while eliminating unnecessary spending in duplication efforts to combat terrorism.

- Other experts, such as the Gilmore Commission testifying today, suggest that a national strategy should be developed in close coordination with state and local governments since they play a major role in preparing against and responding to acts of terrorism. Based upon our preliminary analysis, we agree with this position. Local responders will be the first response to mitigate terrorist incidents. Therefore, they should participate in the development of a national strategy and their roles and responsibilities should be clearly defined.

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[3] The Plan was mandated in the Conference Committee Report of the 1998 Appropriations Act for the Departments of Commerce, Justice, and State; the Judiciary, and Related Agencies.

As with the need for a single focal point, recent congressional proposals, commission recommendations, and associations' remarks share our views on the continued need for a national strategy.

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Today, various experts will testify on the need for a single national entity to lead and manage programs to combat terrorism and to develop a national strategy. Based on our research and analysis and the efforts of these experts, there appears to be a growing consensus that the federal government needs to address both of these issues now.

GAO CONTACTS AND STAFF ACKNOWLEDGMENTS

For future contacts about this statement for the record, please contact Raymond J. Decker, Director, Defense Capabilities and Management at (202) 512-6020. Individuals making key contributions to this statement include Stephen L. Caldwell, Deborah Colantonio, and Krislin Nalwalk.

RELATED GAO PRODUCTS

Combating Terrorism: Federal Response Teams Provide Varied Capabilities; Opportunities Remain to Improve Coordination (GAO-01-14, Nov. 30, 2000).

Combating Terrorism: Linking Threats to Strategies and Resources (GAO/T-NSIAD-00-218, July 26, 2000).

Combating Terrorism: Comments on Bill H.R. 4210 to Manage Selected Counterterrorist Programs (GAO/T-NSIAD-00-172, May 4, 2000).

Combating Terrorism: How Five Foreign Countries Are Organized to Combat Terrorism (GAO/NSIAD-00-85, Apr. 7, 2000).

Combating Terrorism: Issues in Managing Counterterrorist Programs (GAO/T-NSIAD-00-145, Apr. 6, 2000).

Combating Terrorism: Need to Eliminate Duplicate Federal Weapons of Mass Destruction Training (GAO/NSIAD-00-64, Mar. 21, 2000).

Critical Infrastructure Protection: Comprehensive Strategy Can Draw on Year 2000 Experiences (GAO/AIMD-00-1, Oct. 1, 1999).

Combating Terrorism: Need for Comprehensive Threat and Risk Assessments of Chemical and Biological Attack (GAO/NSIAD-99-163, Sept. 7, 1999).

Combating Terrorism: Observations on Growth in Federal Programs (GAO/T-NSIAD-99-181, June 9, 1999).

Combating Terrorism: Issues to Be Resolved to Improve Counterterrorist Operations (GAO/NSIAD-99-135, May 13, 1999).

Combating Terrorism: Observations on Federal Spending to Combat Terrorism (GAO/T-NSIAD/GGD-99-107, Mar. 11, 1999).

Combating Terrorism: Opportunities to Improve Domestic Preparedness Program Focus and Efficiency (GAO/NSIAD-99-3, Nov. 12, 1998).

Combating Terrorism: Observations on Crosscutting Issues (GAO/T-NSIAD-98-164, Apr. 23, 1998).

Combating Terrorism: Threat and Risk Assessments Can Help Prioritize and Target Program Investments (GAO/NSIAD-98-74, Apr. 9, 1998).

Combating Terrorism: Spending on Governmentwide Programs Requires Better Management and Coordination (GAO/NSIAD-98-39, Dec. 1, 1997).

Combating Terrorism: Federal Agencies' Efforts to Implement National Policy and Strategy (GAO/NSIAD-97-254, Sept. 26, 1997).

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Mr. SHAYS. And I ask unanimous consent that all members of the subcommittee be permitted to place an opening statement in the record, and that the record remain open for 3 days for that purpose.

Without objection, so ordered.

I ask further unanimous consent that all witnesses be permitted to include their written statement in the record. Without objection, so ordered.

At this time, I would welcome our primary witness, the Honorable Warren B. Rudman, who is co-chair, and Charles G. Boyd, General, executive director. Mr. Rudman is co-chair on the U.S. Commission on National Security/21st Century.

As you know, Mr. Rudman, we swear in all our witnesses, and I would welcome both our witnesses to stand.

[Witnesses sworn.]

Mr. SHAYS. Thank you. Note for the record both of our witnesses responded in the affirmative.

Senator Rudman, what we do is we do the 5 minute, but we turn it over because we do want you to make your statement and we do want it part of the record, and then we'll ask you some questions.

Thank you.

STATEMENTS OF HON. WARREN B. RUDMAN, CO-CHAIR, U.S. COMMISSION ON NATIONAL SECURITY/21ST CENTURY; AND CHARLES G. BOYD, GENERAL, USAF (RET.), EXECUTIVE DIRECTOR, U.S. COMMISSION ON NATIONAL SECURITY/21ST CENTURY

Senator RUDMAN. Thank you, Mr. Chairman. I don't think I have more than 5 minutes, and I expect General Boyd has a few minutes, and we are here for as long as you need us.

Mr. Chairman, I'm honored to be here today on behalf of the U.S. Commission on National Security/21st Century. I co-chair this with former Senator Gary Hart. Senator Hart is in London and unable to be here, and I am delighted that General Boyd is able to accompany me.

For those of you that are not familiar with the background of the membership of this Commission, it was very unique. It was the brain child of former Speaker Newt Gingrich, who looked at the fragmentation that was called to his attention in this area of terrorism against our homeland, approached President Clinton, and together they put together legislation which created this Commission. It was then turned over, for administrative purposes, to the Department of Defense. The funding came out of the Department of Defense.

We have been at this for more than 2 years. This has not been a staff-run activity. This has been an activity run very much by the commissioners, themselves, who spent a great deal of time over this period of 2 years, including a number of weekends at various retreats going over and fighting out these issues. When you read the report, you'll find that it is not like many reports which try to recommend that which is possible; this report recommends what we think you ought to do.

Now, politically that's your problem and not ours, but we didn't think we ought to give you our political judgment. We thought we

ought to give you our best judgment, and we have given you a road map of how to do these things.

For those of you who unfamiliar with the Commission, let me tell you alphabetically who served, and it was totally bipartisan: Ann Armstrong, former chairman of the PIFIAD and also Ambassador to the Court of St. James; John Dancy, some of you know, international correspondence for many years for NBC News; Les Geld, president of the Council on Foreign Relations; Lee Hamilton, familiar to all of you here in the House; Donald Rice, former Secretary of the Air Force, former head of RAND Corp.; Harry Train, former commander in chief, Atlantic, a four-star admiral; Norm Augustine, well known to many of you for his work in Government, but, of course, best known probably as being chairman of Lockheed Martin; Jack Galvin, former head of NATO; Newt Gingrich; Lionel Almer, Under Secretary of Commerce at one time in the Reagan administration for international trade; Jim Schlesinger, who held, I believe, four or five Cabinet posts in various administrations; and Andrew Young, a former commissioner—former Ambassador to the United Nations and former mayor of Atlanta.

I want to get directly to the question that your letter of invitation posed to us, and you asked: why is there no comprehensive national strategy to combat terrorism?

I would start my answer by pointing out that dealing with terrorism is an enormously complex problem. As we all understand, terrorism is varying and varyingly motivated. Sometimes it emanates from States, sometimes from groups, or even from individuals. Sometimes it comes from combinations of state sponsorship and non-State actors, or either one. The source of these groups are wide, coming from no one region of the world. And, as we have had the misfortune to learn, it can include domestic elements, as well.

Terrorism also takes several tactical forms—assassinations, bombing, biological or chemical attack, cyber terror, and potentially terrorism perpetrated by the use of weapons of mass destruction.

Terrorists may also choose a wide array of targets, a complexity that has generated considerable confusion. While some scholars define "terrorism" in its basic form as essentially unconventional attacks on civilians for any of several purposes, others include attacks on uniformed military personnel operating abroad as forms of terrorism, such as Khobar Towers, such as the U.S.S. *Cole* incident. Others disagree. They consider such attacks to be another method of waging conventional warfare. The distinction is not just definitional or theoretical. Unfortunately, it influences how the U.S. Government approaches policy solutions to these problems.

Clearly, given this diversity of motives, sources, tactics, and definitions, the responsibility of dealing with terrorism within the U.S. Government ranges over a wide array of executive branch departments and agencies, as well as several Senate and House committees on the legislative branch side. Developing any effective comprehensive strategy for dealing with terrorism would be difficult in any event, but under these circumstances even more so.

And I must say, Mr. Chairman, I'm a great believer in graphics. Whether these have just been placed here for future witnesses or whether they are here to illustrate the problem, there it is in front of you. You could not have a more clear, definitive definition of

what we're talking about than looking at the names, all of them great organizations, well motivated, trying to do the right thing, but look at the number of them. Whoever on your staff came up with that idea deserves an Oak Leaf Cluster. [Laughter.]

Mr. SHAYS. Why do you make an assumption, sir, that it was staff that thought of that? [Laughter.]

Senator RUDMAN. Maybe that's because I served in the Senate.

The U.S. Commission on National Security/21st Century concluded that, however difficult the problem with terrorism may be, we simply must do a better job of dealing with it. There is no national security problem of greater urgency.

The Commission phase one report on the national security environment of the next 25 years concluded unequivocally, based on unbelievably lengthy, complex, and detailed testimony from many in this Government, concluded that the prospect of mass casualty terrorism on American soil is growing sharply. We believe that over the next quarter of a century the danger will not only be one of the most challenging we face, but the one we are least prepared to address.

The Commission's phase two report on strategy focused directly on this challenge, arguing that the United States needed to integrate the challenge of homeland security fully within its national security strategy.

The Commission's phase three report, released on January 31st and delivered to the President on that day, devotes an entire first section, one of five, to the problem of organizing the U.S. Government to deal effectively with homeland security.

We have argued that to integrate this issue properly into an overall strategy framework there must be a significant reform of the structures and processes of the current national security apparatus.

As you know, Mr. Chairman, the phase three report recommends the creation of a National Homeland Security Agency. Before I discuss this proposal, I wish to stress what the Commission intends and does not intend to achieve with its recommendations, because some of it I believe has been misunderstood—probably by people who didn't read it very carefully, but it has, nevertheless, been misunderstood.

The United States needs to inculcate strategic thinking and behavior throughout the entire national security structure of Government. In the Commission's view, and notwithstanding the early exertions of the new administration, we have a long way to go in this regard. We have not had in recent years a process of integrated strategy formulation, a top-down approach led by the President and the senior members of his national security team, where priorities were determined and maintained and where resources were systematically matched to priorities.

There has been almost no effort to undertake functional budgeting analysis for problems that have spread over the responsibilities of many executive branch departments and agencies, the result being that it is extremely difficult for the Congress, in its oversight role, to have a sense of what any administration is doing with respect to major national security objectives.

Finally, there has been no systematic effort from the NSC level to direct the priorities of the intelligence community to align them with the priorities of national strategy.

I might say to you in another hat that I've worn for the last 8 years as chairman and vice chairman of PIFIAD, I can tell you that statement is absolutely sound and something that needs to be addressed.

It needs to be clear, before we discuss the proposal for National Homeland Security Agency, we conceived of the National Homeland Security Agency as a part of, not a substitute for, a strategic approach to the problem of homeland security. Clearly, even with the creation of that agency, the National Security Council will have a critical role in coordinating the various Government departments and agencies involved in homeland security.

The Commission's proposed strategy for homeland security is threefold: to prevent, to protect, and to respond to the problem of terrorism and other threats to the United States.

The Department of State has a critical role in prevention, as does the intelligence community and others. The Department of Defense has a critical role in protection, as do other departments and agencies. Many agencies of Government, including, for example the Centers for Disease Control in the Department of HHS, have a critical role in response. Clearly, we are proposing to include sections of the intelligence community, the State Department, the Defense Department, and the Department of Health and Human Services in this new agency. As with any other complex functional area of Government responsibility, no single agency will ever be adequate for the task.

That said, the United States stands in need of a stronger organizational mechanism for homeland security. It needs to clarify accountability, responsibility, and authority among the departments and agencies with a role to play in this increasingly critical area. It needs to realign the diffused responsibilities that sprawl across outdated concepts of boundaries. It also needs to recapitalize several critical components of U.S. Government. We need a Cabinet-level agency for this purpose. The job has become too big, requires too much operational activity to be housed at the NSC level. It is too important to a properly integrated national strategy to be handed off to a czar. We seem to have czaritis in this Government for the last 10 years. It didn't work in Russia, and I don't think it has worked very well here. It requires an organizational focus of sufficient heft to deal with the Departments of State, Defense, and Justice in an efficient and an effective way.

Mr. Chairman, the Commission's proposal for a National Homelands Security Agency is detailed with great care and precision in the phase three report. With your kind permission, I would like to include that section of the report in the record here, for I see no need to repeat here word-for-word what the report has already said and is available to all.

Mr. SHAYS. Without objection, we will be happy to do that.

Senator RUDMAN. So I will give that to you.

However, I would like to describe the proposal's essence for the subcommittee. I will not mince words. We propose a Cabinet-level agency for homeland security whose civilian director will be a stat-

utory advisor to the National Security Council, the same status as that of the Director of the Central Intelligence Agency or the chairman of the Joint Chiefs of Staff. The director will be appointed by the President and confirmed by the Senate.

The basis of this agency will be the present Federal Emergency Management Agency. Added to FEMA will be the Coast Guard from the Department of Transportation; the Border Patrol from the Department of Justice under INS; the Customs Service, the law enforcement part of Customs Service, from the Department of Treasury; the National Domestic Preparedness Office [NDPO], currently houses the FBI; and an array of cyber security programs now housed varyingly in the FBI, the Commerce Department and elsewhere.

Together, the National Homeland Security Agency will have three directives—prevention, critical infrastructure, protection, and emergency preparedness and response—and a national crisis action center to focus Federal action in the event of a national emergency. The agency will build on FEMA's regional organization and will not be focused in D.C. It will remain focused on augmenting and aiding State and local resources.

The purpose of this realignment of assets is to get more than the sum of the parts from our effort in this area. Right now, unfortunately, we are getting much less than the sum of the parts. We are not proposing vast new undertakings. We are not proposing a highly centralized bureaucratic behemoth. We are not proposing to spend vastly more money than we are spending now. We are proposing a realignment and a rationalization of what we already do so we can do it right. In this regard, we intend for the union of FEMA, Coast Guard, Border Patrol, Customs, and other organizational elements to produce a new institutional culture, new synergies, and a higher morale. We are proposing to match authority, responsibility, and accountability. We are proposing the solve the "who's in charge" problem.

Perhaps the most important of all, we are proposing to do all this in such a way as to guarantee the civil liberties that we all hold so dear. Since it is very likely the Defense Department assets would have to come into play in response to a mass casualty attack on U.S. soil, the best way ensure that we violate the U.S. Constitution is to not plan and train ahead for such contingencies.

The director of the National Homeland Security Agency, I repeat, is a civilian. If no such person is designated, responsible ahead of time to plan, train, and coordinate for the sort of national emergency of which we are speaking, I leave it to your imagination and to your mastery of American history to predict what a condition of national panic might be produced in this regard.

Mr. Chairman, one final point, if I may. All 14 of us on this Commission are united in our belief that this proposal is the best way for the U.S. Government to see this as a common defense. All 14 of us, without dissent, agreed to put this subject first and foremost in our final report. All 14 of us—7 democrats and 7 Republicans—are determined to do what we can to promote this recommendation on a fully bipartisan basis.

But we are not naive. We know that we are asking for big changes. I know, as a former member of the legislative branch, that

what we are proposing requires complex and difficult congressional action. This proposal stretches over jurisdictions of at least seven committees, plus they are appropriations committees counterparts of the House and the Senate. This is why, Mr. Chairman, the work of this committee and the Committee on Government Reform is so critical to the eventual success of this effort, and that is why I again want to express my gratitude for the opportunity to be here today.

Finally, Mr. Chairman, before General Boyd testifies, I just want to tell you a little bit about General Boyd which would not be known. General Boyd was asked by Speaker Gingrich at the time, who he knew personally, to head up this effort. General Boyd spent 6½ years in a Hanoi prison. He is the only POW who reached four-star rank, and following that held enormously responsible positions throughout our Government until his retirement. We were very fortunate to have General Boyd lead our effort. I always told him I thought it was a little bit beneath his pay grade, but he was willing to take this on as executive director.

Thank you, Mr. Chairman.

Mr. SHAYS. Thank you, Senator.

[The prepared statement of Hon. Warren B. Rudman and the report referred to follow:]

Prepared Statement of the Honorable Warren B. Rudman before the Subcommittee on National Security, Veterans Affairs, and International Relations of the Committee on Government Reform, U.S. House of Representatives, March 27, 2001

Mr. Chairman,

I am honored to be here today on behalf of the U.S. Commission on National Security/21st Century, which I co-chaired together with Senator Gary Hart. Senator Hart regrets that he cannot be with us today.

Sir, I want to get directly to the question that your letter of invitation posed to us: "Why is there no comprehensive national strategy to combat terrorism?"

I would start my answer by pointing out that dealing with terrorism is an enormously complex problem. As we all understand, terrorism is varyingly motivated. Sometimes it emanates from states, sometimes from groups or even individuals, and sometimes it comes from combinations of state-sponsorship and other non-state actors. The sources of terrorist groups are wide, coming from no one region of the world—and, as we have had the misfortune to learn, it can include domestic elements as well. Terrorism also takes several tactical forms: assassination, bombing, biological or chemical attack, cyber-terror, and, potentially, terrorism perpetrated by the use of weapons of mass destruction.

Terrorists may also choose a wide array of targets, a complexity that has generated considerable confusion. While some scholars define terrorism, in its basic form, as essentially unconventional attacks on civilians for any of several purposes, other observers include attacks on uniformed military personnel operating abroad as forms of terrorism. Still others disagree, considering such attacks to be another method of waging conventional warfare. The distinction is not just definitional or theoretical, for it influences how the U.S. Government approaches policy solutions to such problems.

Clearly, given this diversity of motives, sources, tactics, and definitions, the responsibility for dealing with terrorism within the U.S. government ranges over a wide array of Executive Branch departments and agencies, as well as over several Senate and House committees on the Legislative Branch side. Developing an effective, comprehensive strategy for dealing with terrorism would be difficult in any event, but under these circumstances, even more so.

The U.S. Commission on National Security/21st Century concluded that, however difficult the problem of terrorism may be, we simply must do a better job of dealing with it. There is no national security problem of greater urgency.

The Commission's Phase I Report, on the national security environment of the next 25 years, concluded that the prospect of mass casualty terrorism on American soil is growing sharply. We believe that, over the next quarter century, this danger will not only be one of the most challenging we face, but the one we are least prepared to address. The Commission's Phase II Report, on strategy, focused directly on this challenge, arguing that the United States needed to integrate the challenge of homeland security fully within its national security strategy. The Commission's Phase III Report, released on January 31st, devotes its entire first section—one of five—to the problem of organizing the U.S. government to deal effectively with homeland

security. We have argued that to integrate this issue properly into an overall strategic framework, there must be a significant reform of the structures and processes of the current national security apparatus.

As you know, Mr. Chairman, the Phase III Report recommends the creation of a National Homeland Security Agency. But before I discuss this proposal, I wish to stress what the Commission intends, and does not intend, to achieve with this recommendation.

The United States needs to inculcate strategic thinking and behavior throughout the entire national security structure of government. In the Commission's view, and notwithstanding the early exertions of the new administration, we have a long way to go in this regard. We have not had in recent years a process of integrated strategy formulation, a top down approach led by the President and the senior members of his national security team, where priorities were determined and maintained, and where resources were systematically matched to priorities. There has been almost no effort to undertake functional budgeting analysis for problems that spread over the responsibilities of many Executive Branch departments and agencies—the result being that it is extremely difficult for the Congress, in its oversight role, to have a sense of what the Administration is doing with respect to major national security objectives. Finally, there has been no systematic effort from the NSC level to direct the priorities of the intelligence community, to align them with the priorities of national strategy.

The Commission has made several recommendations with regard to this larger, generic problem in its final Phase III Report. We firmly believe that significant policy innovations cannot be generated or sustained in the absence of managerial reform. Put a little differently, we believe that without a sound managerial base, it is not possible to really have sound policy.

This needs to be clear before we discuss the proposal for a National Homeland Security Agency. We conceive of the National Homeland Security Agency as a *part* of, not a *substitute* for, a strategic approach to the problem of homeland security.

Clearly, even with the creation of the National Homeland Security Agency, the National Security Council will still have a critical role in coordinating the various government departments and agencies involved in homeland security. The Commission's proposed strategy for homeland security is three-fold: to *prevent*, to *protect*, and to *respond* to the problem of terrorism and other threats to the homeland. The Department of State has a critical role in prevention, as does the intelligence community and others. The Department of Defense has a critical role in protection, as do other departments and agencies. Many agencies of government, including, for example, the Centers for Disease Control in the Department of Health and Human Services, have a critical role in response. Clearly, we are not proposing to include sections of the intelligence community, the State Department, the Defense Department, and the Department of Health and Human Services in the National Homeland Security Agency. As with any other complex functional area of government responsibility, no single agency is adequate to the task of homeland security.

That said, the United States stands in dire need of stronger organizational mechanisms for homeland security. It needs to clarify accountability, responsibility, and authority among the departments and agencies with a role to play in this increasingly critical area. It needs to realign the diffused responsibilities that sprawl across outdated concepts of boundaries. It also needs to recapitalize several critical components of U.S. Government in this regard. We need a Cabinet-level agency for this purpose. The job is becoming too big, and requires too much operational activity, to be housed at the NSC staff. It is too important to a properly *integrated* national

strategy to be handled off-line by a "czar." It requires an organizational focus of sufficient heft to deal with the Departments of State, Defense, and Justice in an efficient and effective way.

Mr. Chairman, this Commission's proposal for a National Homeland Security Agency is detailed with great care and precision in the Phase III Report. With your kind permission, I would like to include that section of the Report in the record here—for I see no need to repeat here word for word what the Report has already made available to all.

However, I would like to describe the proposal's essence for the subcommittee. I will not mince words: We propose a Cabinet-level agency for homeland security, whose civilian director will be a statutory advisor to the National Security Council—the same status as the Director of Central Intelligence or the Chairman of the JCS. That Director will be appointed by the President and must be confirmed by the Senate. The basis of this agency will be the present Federal Emergency Management Agency (FEMA). Added to FEMA will be the Coast Guard (from the Department of Transportation), the Border Patrol (from the Department of Justice under INS), the Customs Service (from the Department of the Treasury), the National Domestic Preparedness Office (NDPO), currently housed at the FBI, and an array of cyber-security programs now housed varyingly in the FBI, the Commerce Department, and elsewhere.

Together, the National Homeland Security Agency will have three directorates (Prevention; Critical Infrastructure Protection; and Emergency Preparedness and Response), and a National Crisis Action Center to focus federal action in the event of a national emergency. The Agency will build on FEMA's regional organization, and will not be heavily focused in the Washington, DC area. It will remain focused on augmenting and aiding state and local resources.

The purpose of this realignment of assets is to get more than the sum of the parts from our effort in this area. Right now, unfortunately, we are getting much less than the sum of the parts. We are *not* proposing vast new undertakings. We are *not* proposing a highly centralized bureaucratic behemoth. We are *not* proposing to spend vastly more money than we are spending now.

We *are* proposing a realignment and a rationalization of what we already do, so that we can do it right. In this regard, we intend for the union of FEMA, Coast Guard, Border Patrol, Customs, and other organizational elements to produce a new institutional culture, new synergies, and higher morale. We *are* proposing to match authority, responsibility, and accountability. We *are* proposing to solve the "Who's in charge?" problem.

Perhaps most important, we are proposing to do all this in such a way as to guarantee the civil liberties we all hold dear. Since it is very likely that Defense Department assets would have to come into play in response to a mass-casualty attack on U.S. soil, the best way to ensure that we violate the U.S. Constitution is to *not* plan and train ahead for such contingencies. The Director of the National Homeland Security Agency, I repeat, is a civilian. If no such person is designated responsible ahead of time to plan, train, and coordinate for the sort of national emergency of which we are speaking, I leave it to your imaginations—and to your mastery of American history—to predict what a condition of national panic might produce in this regard.

Mr. Chairman, one final point if I may. All fourteen of us on this Commission are united in our belief that this proposal is the best way for the United States government to see to the common defense. All fourteen of us, without dissent, agreed to put this subject first and foremost in our final Phase III Report. All fourteen of us, seven Democrats and

seven Republicans, are determined to do what we can to promote this recommendation on a fully bipartisan basis.

But we are not naïve. We know that we are asking for big changes. *I* know, as a former member of the Legislative Branch, that what we are proposing requires complex and difficult Congressional action. This proposal stretches over the jurisdiction of at least seven committees of the House and Senate. That is why, Mr. Chairman, the work of this committee, the Committee on Government Reform, is so critical to the eventual success of this effort. And that is why I again want to express my gratitude for the opportunity to be here today.

Road Map for National Security: Imperative for Change

The Phase III Report of
the U.S. Commission on National Security/21st Century

The United States Commission on National Security/21st Century

March 15, 2001

Introduction: Imperative for Change

The U.S. Commission on National Security/ 21st Century was chartered to be the most comprehensive examination of the structures and processes of the U.S. national security apparatus since the core legislation governing it was passed in 1947. The Commission's Charter enjoins the Commissioners to "propose measures to adapt existing national security structures" to new circumstances, and, if necessary, "to create new structures where none exist." The Commission is also charged with providing "cost and time estimates to complete these improvements," as appropriate, for what is to be, in sum, "an institutional road map for the early part of the 21st century."[1]

This Phase III report provides such a road map. But Phase III rests on the first two phases of the Commission's work: Phase I's examination of how the world may evolve over the next quarter century, and Phase II's strategy to deal effectively with that world on behalf of American interests and values.

In its Phase I effort, this Commission stressed that global trends in scientific-technological, economic, socio-political, and military-security domains—as they mutually interact over the next 25 years—will produce fundamental qualitative changes in the U.S. national security environment. We arrived at these fourteen conclusions:

- The United States will become increasingly vulnerable to hostile attack on the American homeland, and U.S. military superiority will not entirely protect us.
- Rapid advances in information and biotechnologies will create new vulnerabilities for U.S. security.
- New technologies will divide the world as well as draw it together.
- The national security of all advanced states will be increasingly affected by the vulnerabilities of the evolving global economic infrastructure.
- Energy supplies will continue to have major strategic significance.
- All borders will be more porous; some will bend and some will break.
- The sovereignty of states will come under pressure, but will endure as the main principle of international political organization.
- The fragmentation and failure of some states will occur, with destabilizing effects on entire regions.
- Foreign crises will be replete with atrocities and the deliberate terrorizing of civilian populations.
- Space will become a critical and competitive military environment.
- The essence of war will not change.

[1] See Appendix 2 for the full text of the Charter.

- U.S. intelligence will face more challenging adversaries, and even excellent intelligence will not prevent all surprises.

- The United States will be called upon frequently to intervene militarily in a time of uncertain alliances, and with the prospect of fewer forward-deployed forces.

- The emerging security environment in the next quarter century will require different U.S. military and other national capabilities.

The Commission's stress on communicating the scale and pace of change has been borne out by extraordinary developments in science and technology in just the eighteen-month period since the Phase I report appeared. The mapping of the human genome was completed. A functioning quantum computing device was invented. Organic and inorganic material was mated at the molecular level for the first time. Basic mechanisms of the aging process have been understood at the genetic level. Any *one* of these developments would have qualified as a "breakthrough of the decade" a quarter century ago, but they *all* happened within the past year and a half.

This suggests the possible advent of a period of change the scale of which will often astound us. The key factor driving change in America's national security environment over the next 25 years will be the acceleration of scientific discovery and its technological applications, and the uneven human social and psychological capacity to harness them. Synergistic developments in information technology, materials science, biotechnology, and nanotechnology will almost certainly transform human tools more dramatically and rapidly than at any time in human history.

While it is easy to underestimate the social implications of change on such a scale, the need for human intellectual and social adaptation imposes limits to the pace of change. These limits are healthy, for they allow and encourage the application of the human moral sense to choices of major import. We will surely have our hands full with such choices over the next quarter century. In that time we may witness the development of a capacity to guide or control evolution by manipulating human DNA. The ability to join organic and inorganic material forms suggests that humans may co-evolve literally with their own machines. Such prospects are both sobering and contentious. Some look to the future with great hope for the prospect of curing disease, repairing broken bodies, ending poverty, and preserving the biosphere. But others worry that curiosity and vanity will outrun the human moral sense, thus turning hope into disaster. The truth is that we do not know where the rapidly expanding domain of scientific-technological innovation will bring us. Nor do we know the extent to which we can summon the collective moral fortitude to control its outcome.

What we do know is that some societies, and some people within societies, will be at the forefront of future scientific-technological developments and others will be marginal to them. This means more polarization between those with wealth and power and those without—both among and within societies. It suggests, as well, that many engrained social patterns will become unstable, for scientific-technological innovation has profound, if generally unintended, effects on economic organization, social values, and political life.

In the Internet age, for example, information technologies may be used to empower communities and advance freedoms, but they can also empower political movements led by

charismatic leaders with irrational premi… Such men and women in the 21… will be less bound than those of the 20th by the limits …e state, and less obliged to gai… …ustrial capabilities in order to wreck havoc. For … …mple, a few people with as little … …000 investment may manage to produce and s… …d a genetically-altered pathoge… … potential to kill millions of people in a matter of m… …s. Clearly, the threshold for sm… … or even individuals to inflict massive damage on … …e they take to be their enemies … dramatically.

As for political life, it is clear tha… …e rapidity of change is already o… …ing many states in what used to be called the Third … …rld. Overlaid on the enduring pl… …corruption and sheer bad government is a new patter… …nformation technology has wide… …wareness of democracy and market-driven prosperity… …l has led to increasing symbolic … …rial demands on government. These demands… …en exceed existing organizationa… …es to meet them. One result is that many national ar… … do not respond to government … …nother is that mercenaries, criminals, terrorists, an… …ig cartel operators roam widely … Meanwhile, non-governmental organizat… (NGOs) along with global finan… …utions sometimes function as proxy service and … …latory bureaucracies to do for s… …which they cannot do for themselves—further dimin… …g governmental control and po… …untability.

As a result of the growing poros… …f borders, and of the widening s… …nctional economic integration, significant politica… …velopments can no longer be m… …ely through the vehicle of bilateral diplomatic relatio… …A seemingly internal crisis in Si… …e carefully observed, implicates most of West Afric… …problem involving drug cultiva… …olitical rebellion in Colombia cannot be address… …ithout involving Panama, Venez… …via, Ecuador, Peru, Brazil, and Mexico. Fina… …problems in Thailand tumble w… …onto Russia, Brazil, Japan, Indonesia, Malays… …nd the United States.

Demography is another major d… …of global political change. Pop… …owth tends to moderate with increased literacy, urba… …tion, and especially changes in … …values that attend the movement of women into the … …place. Thanks to these trends, … …rate of population increase is slowing somewha… …t the absolute increases over the … …ter century will be enormous and coping with them … …be a major challenge throughou… … the world. In some countries, however, the problem… …l be too few births. In Japan and … …for example, social security and private pen… …systems may face enormous str… …se too few young workers will be available to supp… …etirees living ever-longer lives. … … foreign workers may be the only recourse for suc… …ocieties, but that raises other po… … social difficulties.

Yet another driver of change ma… …sustained economic growth in … …parts of the world. Asia may well be the most econo… …lly dynamic region on earth by … …ch depends on China's ability to reform further the … …ture of its economy and on Ind… …to unleash its vast economic potential. But if these … …very large countries achieve su… …nomic growth—and if the economies of Japan… …a, Taiwan, Indonesia, Malays… …ppines, Thailand, and Vietnam also grow—the … … of world power will shift awa… …dominant Western centers of the past five centuri… …nile America is itself increasin… … it still shares more philosophically and historic… …with Europe than with Asia. T… …e for the United States, then, may rest not only in… …ostrategic shift, but in a shift i… …al fabric of international politics itself.

In Phase II the Commission moved from describing objective conditions to prescribing a strategy for dealing with them. Subtitled *A Concert for Preserving Security and Promoting Freedom,* the Commission stressed that America cannot secure and advance its own interests in isolation. The nations of the world must work together—and the United States must learn to work with others in new ways—if the more cooperative order emerging from the Cold War epoch is to be sustained and strengthened.

Nonetheless, this Commission takes as its premise that America must play a special international role well into the future. By dint of its power and its wealth, its interests and its values, the United States has a responsibility to itself and to others to reinforce international order. Only the United States can provide the ballast of global stability, and usually the United States is the only country in a position to organize collective responses to common challenges.

We believe that American strategy must compose a balance between two key aims. The first is to reap the benefits of a more integrated world in order to expand freedom, security, and prosperity for Americans and for others. But second, American strategy must also strive to dampen the forces of global instability so that those benefits can endure and spread.

On the positive side, this means that the United States should pursue, within the limits of what is prudent and realistic, the worldwide expansion of material abundance and the eradication of poverty. It should also promote political pluralism, freedom of thought and speech, and individual liberty. Not only do such aims inhere in American principles, they are practical goals, as well. There are no guarantees against violence and evil in the world. We believe, nonetheless, that the expansion of human rights and basic material well-being constitutes a sturdy bulwark against them. On the negative side, these goals require concerted protection against four related dangers: the proliferation of weapons of mass destruction; international terrorism; major interstate aggression; and the collapse of states into internal violence, with the associated regional destabilization that often accompanies it.

These goals compose the lodestone of a U.S. strategy to expand freedom and maintain underlying stability, but, as we have said, the United States cannot achieve them by itself. American leadership must be prepared to act unilaterally if necessary, not least because the will to act alone is sometimes required to gain the cooperation of others. But U.S. policy should join its efforts with allies and multilateral institutions wherever possible; the United States is wise to strengthen its partners and in turn will derive strength from them.

The United States, therefore, as the prime keeper of the international security commons, must speak and act in ways that lead others, by dint of their own interests, to ally with American goals. If it is too arrogant and self-possessed, American behavior will invariably stimulate the rise of opposing coalitions. The United States will thereby drive away many of its partners and weaken those that remain. Tone matters.

To carry out this strategy and achieve these goals, the Commission defined six key objectives for U.S. foreign and national security policy:

First, the preeminent objective is "to defend the United States and ensure that it is safe from the dangers of a new era." The combination of unconventional weapons proliferation with the persistence of international terrorism will end the relative invulnerability of the U.S. homeland to catastrophic attack. To deter attack against the homeland in the 21st century, the

United States requires a new triad of prevention, protection, and response. Failure to prevent mass-casualty attacks against the American homeland will jeopardize not only American lives but U.S. foreign policy writ large. It would undermine support for U.S. international leadership and for many of our personal freedoms, as well. Indeed, the abrupt undermining of U.S. power and prestige is the worst thing that could happen to the structure of global peace in the next quarter century, and nothing is more likely to produce it than devastating attacks on American soil.

Achieving this goal, and the nation's other critical national security goals, also requires the U.S. government, as a *second* key objective, to "maintain America's social cohesion, economic competitiveness, technological ingenuity, and military strength." That means a larger investment in and better management of science and technology in government and in society, and a substantially better educational system, particularly for the teaching of science and mathematics.

The United States must also take better advantage of the opportunities that the present period of relative international stability and American power enable. A *third* key objective, therefore, is "to assist the integration of key major powers, especially China, Russia, and India, into the mainstream of the emerging international system." Moreover, since globalization's opportunities are rooted in economic and political progress, the Commission's *fourth* key U.S. objective is "to promote, with others, the dynamism of the new global economy and improve the effectiveness of international institutions and international law."

A *fifth* key objective also follows, which is "to adapt U.S. alliances and other regional mechanisms to a new era in which America's partners seek greater autonomy and responsibility." A *sixth* and final key objective inheres in an effort "to help the international community tame the disintegrative forces spawned by an era of change." While the prospect of major war is low, much of the planet will experience conflict and violence. Unless the United States, in concert with others, can find a way to limit that conflict and violence, it will not be able to construct a foreign policy agenda focussed on opportunities.

Achieving all of these objectives will require a basic shift in orientation: to focus on *preventing* rather than simply responding to dangers and crises. The United States must redirect its energies, adjust its diplomacy, and redesign its military capabilities to ward off cross-border aggression, assist states before they fail, and avert systemic international financial crises. To succeed over the long run with a preventive focus, the United States needs to institutionalize its efforts to grasp the opportunities the international environment now offers.

An opportunity-based strategy also has the merit of being more economical than a reactive one. Preventing a financial crisis, even if it involves well-timed bailouts, is cheaper than recuperating from stock market crashes and regional recessions. Preventing a violent conflict costs less than responsive peacekeeping operations and nation-building activities. And certainly, preventing mass-casualty attacks on the American homeland will be far less expensive than recovering from them.

These six objectives, and the Commission's strategy itself, rest on a premise so basic that it often goes unstated: democracy conduces generally to domestic and international peace, and peace conduces to, or at least allows, democratic politics. While this premise is not a "law," and while scholars continue to study and debate these matters, we believe they are strong tendencies, and that they can be strengthened further by a consistent and determined national policy. We know, that a world characterized by the spread of genuine

democracy would not be flawless, nor signal "the end of history." But it is the best of all possible worlds that we can conceive, and that we can achieve.

In Phase I, this Commission presented four "Worlds in Prospect," agglomerations of basic trends that, we believed, might describe the world in 2025. The Democratic Peace was one. Nationalism and Protectionism was a second, Division and Mayhem a third, and Globalism Triumphant the fourth. We, and presumably most observers, see the Democratic Peace as a positive future, Nationalism and Protectionism as a step in the wrong direction, Division and Mayhem as full-fledged tragedy. But the Globalism Triumphant scenario divides opinion, partly because it is the hardest to envision, and partly because it functions as a template for the projection of conflicting political views.

Some observers, for example, believe that the end of the nation-state is upon us, and that this is a good thing, for, in this view, nationalism is the root of racism and militarism. The eclipse of the national territorial state is at any rate, some argue, an inevitable development given the very nature of an increasingly integrated world.

We demur. To the extent that a more integrated world economically is the best way to raise people out of poverty and disease, we applaud it. We also recognize the need for unprecedented international cooperation on a range of transnational problems. But the state is the only venue discovered so far in which democratic principles and processes can play out reliably, and not all forms of nationalism have been or need be illiberal. We therefore affirm the value of American sovereignty as well as the political and cultural diversity ensured by the present state system. Within that system the United States must live by and be ready to share its political values—but it must remember that those values include tolerance for those who hold different views.

A broader and deeper Democratic Peace is, and ought to be, America's aspiration, but there are obstacles to achieving it. Indeed, despite the likely progress ahead on many fronts, the United States may face not only episodic problems but also genuine crises. If the United States mismanages its current global position, it could generate resentments and jealousies that leave us more isolated than isolationist. Major wars involving weapons of mass destruction are possible, and the general security environment may deteriorate faster than the United States, even with allied aid, can redress it. Environmental, economic, and political unraveling in much of the world could occur on a scale so large as to make current levels of prosperity unsustainable, let alone expandable. Certain technologies—biotechnology, for example—may also undermine social and political stability among and within advanced countries, including the United States. Indeed, all these crises may occur, and each could reinforce and deepen the others.

The challenge for the United States is to seize the new century's many opportunities and avoid its many dangers. The problem is that the current structures and processes of U.S. national security policymaking are incapable of such management. That is because, just below the enormous power and prestige of the United States today, is a neglected and, in some cases, a decaying institutional base.

The U.S. government is not well organized, for example, to ensure homeland security. No adequate coordination mechanism exists among federal, state, and local government efforts, as well as those of dozens of agencies at the federal level. If present trends continue in elementary and secondary school science and mathematics education, to take another example, the United States may lose its lead in many, if not most, major areas of critical scientific-technological

competence within 25 years. We are also losing, and are finding ourselves unable to replace, the most critical asset we have: talented and dedicated personnel throughout government.

Strategic planning is absent in the U.S. government and its budget processes are so inflexible that few resources are available for preventive policies or for responding to crises, nor can resources be reallocated efficiently to reflect changes in policy priorities. The economic component of U.S. national security policy is poorly integrated with the military and diplomatic components. The State Department is demoralized and dysfunctional. The Defense Department appears incapable of generating a strategic posture very different from that of the Cold War, and its weapons acquisition process is slow, inefficient, and burdened by excess regulation. National policy in the increasingly critical environment of space is adrift, and the intelligence community is only slowly reorienting itself to a world of more diffuse and differently shaped threats. The Executive Branch, with the aid of the Congress, needs to initiate change in many areas by taking bold new steps, and by speeding up positive change where it is languishing.

The very mention of changing the engrained routines and structures of government is usually enough to evoke cynicism even in a born optimist. But the American case is surprisingly positive, especially in relatively recent times. The reorganizations occasioned by World War II were vast and innovative, and the 1947 National Security Act was bold in advancing and institutionalizing them. Major revisions of the 1947 Act were passed subsequently by Congress in 1949, 1953, and 1958. Major internal Defense Department reforms were promulgated as well, one in 1961 and another, the Department of Defense Reorganization Act (Goldwater-Nichols) in 1986. The essence of the American genius is that we know better than most societies how to reinvent ourselves to meet the times. This Commission, we believe, is true to that estimable tradition.

Despite this relatively good record, resistance will arise to changing U.S. national security structures and processes, both within agencies of government and in the Congress. What is needed, therefore, is for the new administration, together with the new Congress, to exert real leadership. Our comprehensive recommendations to guide that leadership follow.

First, we must prepare ourselves better to defend the national homeland. We take this up in Section I, *Securing the National Homeland.* We put this first because it addresses the most dangerous and the most novel threat to American national security in the years ahead.

Second, we must rebuild our strengths in the generation and management of science and technology and in education. We have made *Recapitalizing America's Strengths in Science and Education* the second section of this report despite the fact that science management and education issues are rarely ranked as paramount national security priorities. We do so to emphasize their crucial and growing importance.

Third, we must ensure coherence and effectiveness in the institutions of the Executive Branch of government. Section III, *Institutional Redesign*, proposes change throughout the national security apparatus.

Fourth, we must ensure the highest caliber human capital in public service. U.S. national security depends on the quality of the people, both civilian and military, serving within the ranks of government. *If we are unsuccessful in meeting the crisis of competence before us, none of the other reforms proposed in this report will succeed.* Section IV, *The Human Requirements for National Security*, examines government personnel issues in detail.

Fifth, the Congress is part of the problem before us, and the[re] [must become part of] the solution. Not only must the Congress support the Executive Bra[nch] [terms promulgated] here, but it must bring its own organization in line with the 21st cent[ury]. [Section V, *The Role of Congress*,] examines this critical facet of government reform.

Each section of this report carries an introduction explaining [why the subject is] important, identifies the major problems requiring solution, and then [presents this Commission's] recommendations. All major recommendations are boxed and in bol[d-face type.] Related but subordinate recommendations are italicized and in bold-face type in [the text.]

As appropriate throughout the report, we outline what Cong[ressional, Presidential, and] Executive department actions would be required to implement the C[ommission's] recommendations. Also as appropriate, we provide general guidance [on] the budgetary implications of our recommendations but, lest details of such consi[derations] confuse and complicate the text, we will provide suggested implementation plan[s for] selected areas in a separately issued addendum. A last word urges the President to dev[ote] [attention to] implementing mechanism for the recommendations put forth here.

Finally, we observe that some of our recommendations will [save] money, while others call for more expenditure. We have not tried to "balance the books" am[ong] the recommendations, nor have we held financial implications foremost in mind during our w[ork]. However money may be saved, we consider it a second-order benefit. Provision of additiona[l] [resources] to national security, where necessary, are investments, not costs, and a *first*-or[der] [national priority.]

[2] The recommendations are listed together in Appendix 1, pp. 124-129.

I. Securing the National Homeland

One of this Commission's most important conclusions in its Phase I report was that attacks against American citizens on American soil, possibly causing heavy casualties, are likely over the next quarter century.[3] This is because both the technical means for such attacks, and the array of actors who might use such means, are proliferating despite the best efforts of American diplomacy.

These attacks may involve weapons of mass destruction and weapons of mass disruption. As porous as U.S. physical borders are in an age of burgeoning trade and travel, its "cyber borders" are even more porous—and the critical infrastructure upon which so much of the U.S. economy depends *can* now be targeted by non-state and state actors alike. America's present global predominance does not render it immune from these dangers. To the contrary, U.S. preeminence makes the American homeland more appealing as a target, while America's openness and freedoms make it more vulnerable.

Notwithstanding a growing consensus on the seriousness of the threat to the homeland posed by weapons of mass destruction and disruption, the U.S. government *has not* adopted homeland security as a primary national security mission. Its structures and strategies are fragmented and inadequate. The President must therefore both develop a comprehensive strategy and propose new organizational structures to prevent and protect against attacks on the homeland, and to respond to such attacks if prevention and protection should fail.

Any reorganization must be mindful of the scale of the scenarios we envision and the enormity of their consequences. We need orders-of-magnitude improvements in planning, coordination, and exercise. The government must also be prepared to use effectively—albeit with all proper safeguards—the extensive resources of the Department of Defense. This will necessitate new priorities for the U.S. armed forces and particularly, in our view, for the National Guard.

The United States *is today very poorly organized to design and implement any comprehensive strategy to protect the homeland.* The assets and organizations that now exist for homeland security are scattered across more than two dozen departments and agencies, and all fifty states. The Executive Branch, with the full participation of Congress, needs to realign, refine, and rationalize these assets into a coherent whole, or even the best strategy will lack an adequate vehicle for implementation.

This Commission believes that the security of the American homeland from the threats of the new century should be *the* primary national security mission of the U.S. government. While the Executive Branch must take the lead in dealing with the many policy and structural issues involved, Congress is a partner of critical importance in this effort. It must find ways to address homeland security issues that bridge current gaps in organization, oversight, and authority, and that resolve conflicting claims to jurisdiction within both the Senate and the House of Representatives and also between them.

[3] See *New World Coming*, p. 4, and the Report of the National Defense Panel, *Transforming Defense: National Security in the 21st Century* (Washington, DC: December 1997), p. 17.

Congress is crucial, as well, for guaranteeing that homeland security is achieved *within a framework of law that protects the civil liberties and privacy of American citizens*. We are confident that the U.S. government can enhance national security without compromising established Constitutional principles. But in order to guarantee this, *we must plan ahead*. In a major attack involving contagious biological agents, for example, citizen cooperation with government authorities will depend on public confidence that those authorities can manage the emergency. If that confidence is lacking, panic and disorder could lead to insistent demands for the temporary suspension of some civil liberties. That is why preparing for the worst is essential to protecting individual freedoms during a national crisis.

Legislative guidance for planning among federal agencies and state and local authorities must take particular cognizance of the role of the Defense Department. *Its subordination to civil authority needs to be clearly defined in advance*.

In short, advances in technology have created new dimensions to our nation's economic and physical security. While some new threats can be met with traditional responses, others cannot. More needs to be done in three areas to prevent the territory and infrastructure of the United States from becoming easy and tempting targets: in strategy, in organizational realignment, and in Executive-Legislative cooperation. We take these areas in turn.

A. The Strategic Framework

A homeland security strategy to minimize the threat of intimidation and loss of life is an essential support for an international leadership role for the United States. Homeland security is not peripheral to U.S. national security strategy but central to it. At this point, national leaders have not agreed on a clear strategy for homeland security, a condition this Commission finds dangerous and intolerable. We therefore recommend the following:

• 1: The President should develop a comprehensive strategy to heighten America's ability to prevent and protect against all forms of attack on the homeland, and to respond to such attacks if prevention and protection fail.

In our view, the President should:

• Give new priority in his overall national security strategy to homeland security, and make it a central concern for incoming officials in all Executive Branch departments, particularly the intelligence and law enforcement communities;

• Calmly prepare the American people for prospective threats, and increase their awareness of what federal and state governments are doing to prevent attacks and to protect them if prevention fails;

• Put in place new government organizations and processes, eliminating where possible staff duplication and mission overlap; and

• Encourage Congress to establish new mechanisms to facilitate closer cooperation between the Executive and Legislative Branches of government on this vital issue.

We believe that homeland security can best be assured through a strategy of *layered defense* that focuses first on prevention, second on protection, and third on response.

Prevention: Preventing a potential attack comes first. Since the occurrence of even one event that causes catastrophic loss of life would represent an unacceptable failure of policy, U.S. strategy should therefore act as far forward as possible to prevent attacks on the homeland. This strategy has at its disposal three essential instruments.

Most broadly, the first instrument is U.S. diplomacy. U.S. foreign policy should strive to shape an international system in which just grievances can be addressed without violence. Diplomatic efforts to develop friendly and trusting relations with foreign governments and their people can significantly multiply America's chances of gaining early warning of potential attack and of doing something about impending threats. Intelligence-sharing with foreign governments is crucial to help identify individuals and groups who might be considering attacks on the United States or its allies. Cooperative foreign law enforcement agencies can detain, arrest, and prosecute terrorists on their own soil. Diplomatic success in resolving overseas conflicts that spawn terrorist activities will help in the long run.

Meanwhile, verifiable arms control and nonproliferation efforts must remain a top priority. These policies can help persuade states and terrorists to abjure weapons of mass destruction and to prevent the export of fissile materials and dangerous dual-use technologies. But such measures cannot by themselves prevent proliferation. So other measures are needed, including the possibility of punitive measures and defenses. The United States should take a lead role in strengthening multilateral organizations such as the International Atomic Energy Agency.

In addition, increased vigilance against international crime syndicates is also important because many terrorist organizations gain resources and other assets through criminal activity that they then use to mount terrorist operations. Dealing with international organized crime requires not only better cooperation with other countries, but also among agencies of the federal government. While progress has been made on this front in recent years, more remains to be done.[4]

The second instrument of homeland security consists of the U.S. diplomatic, intelligence, and military presence overseas. Knowing the who, where, and how of a potential physical or cyber attack is the key to stopping a strike before it can be delivered. Diplomatic, intelligence, and military agencies overseas, as well as law enforcement agencies working abroad, are America's primary eyes and ears on the ground. But increased public-private efforts to enhance security processes within the international transportation and logistics networks that bring people and goods to America are also of critical and growing importance.

Vigilant systems of border security and surveillance are a third instrument that can prevent those agents of attack who are not detected and stopped overseas from actually entering the United States. Agencies such as the U.S. Customs Service and U.S. Coast Guard have a critical prevention role to play. Terrorists and criminals are finding that the difficulty of policing the rising daily volume and velocities of people and goods that cross U.S. borders makes it easier for them to smuggle weapons and contraband, and to move their operatives into and out of the United States. Improving the capacity of border control agencies to identify and intercept potential threats without creating barriers to efficient trade and travel requires a sub-strategy also with three elements.

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[4] See *International Crime Threat Assessment* (Washington, DC: The White House, December 2000).

First is the development of new transportation security procedures and practices designed to reduce the risk that importers, exporters, freight forwarders, and transportation carriers will serve as unwitting conduits for criminal or terrorist activities. *Second* is bolstering the intelligence gathering, data management, and information sharing capabilities of border control agencies to improve their ability to target high-risk goods and people for inspection. *Third* is strengthening the capabilities of border control agencies to arrest terrorists or interdict dangerous shipments *before* they arrive on U.S. soil.

These three measures, which place a premium on public-private partnerships, will pay for themselves in short order. They will allow for the more efficient allocation of limited enforcement resources along U.S. borders. There will be fewer disruptive inspections at ports of entry for legitimate businesses and travelers. They will lead to reduced theft and insurance costs, as well. Most important, the underlying philosophy of this approach is one that balances prudence, on the one hand, with American values of openness and free trade on the other.[5] To shield America from the world out of fear of terrorism is, in large part, to do the terrorists' work for them. To continue business as usual, however, is irresponsible.

The same may be said for our growing cyber problems. Protecting our nation's critical infrastructure depends on greater public awareness and improvements in our tools to detect and diagnose intrusions. This will require better information sharing among all federal, state, and local governments as well as with private sector owners and operators. The federal government has these specific tasks:

- To serve as a model for the private sector by improving its own security practices;
- To address known government security problems on a system-wide basis;
- To identify and map network interdependencies so that harmful cascading effects among systems can be prevented;
- To sponsor vulnerability assessments within both the federal government and the private sector; and
- To design and carry out simulations and exercises that test information system security across the nation's entire infrastructure.

Preventing attacks on the American homeland also requires that the United States maintain long-range strike capabilities. The United States must bolster deterrence by making clear its determination to use military force in a preemptive fashion if necessary. Even the most hostile state sponsors of terrorism, or terrorists themselves, will think twice about harming Americans and American allies and interests if they fear direct and severe U.S. attack after—*or before*—the fact. Such capabilities will strengthen deterrence even if they never have to be used.

Protection: The Defense Department undertakes many different activities that serve to protect the American homeland, and these should be integrated into an overall surveillance system, buttressed with additional resources. A ballistic missile defense system would be a useful addition and should be developed to the extent technically feasible, fiscally prudent, and

[5] Note in this regard Stephen E. Flynn, "Beyond Border Control," *Foreign Affairs* (November/December 2000).

politically sustainable. Defenses should also be pursued against cruise missiles and other sophisticated atmospheric weapon technologies as they become more widely deployed. While both active duty and reserve forces are involved in these activities, the Commission believes that more can and should be done by the National Guard, as is discussed in more detail below.

Protecting the nation's critical infrastructure and providing cyber-security must also include:

- Advanced indication, warning, and attack assessments;

- A warning system that includes voluntary, immediate private-sector reporting of potential attacks to enable other private-sector targets (and the U.S. government) better to take protective action; and

- Advanced systems for halting attacks, establishing backups, and restoring service.

Response: Managing the consequences of a catastrophic attack on the U.S. homeland would be a complex and difficult process. The first priority should be to build up and augment state and local response capabilities. Adequate equipment must be available to first responders in local communities. Procedures and guidelines need to be defined and disseminated and then practiced through simulations and exercises. Interoperable, robust, and redundant communications capabilities are a must in recovering from any disaster. Continuity of government and critical services must be ensured as well. Demonstrating effective responses to natural and manmade disasters will also help to build mutual confidence and relationships among those with roles in dealing with a major terrorist attack.

All of this puts a premium on making sure that the disparate organizations involved with homeland security—on various levels of government and in the private sector—can work together effectively. We are frankly skeptical that the U.S. government, as it exists today, can respond effectively to the scale of danger and damage that may come upon us during the next quarter century. This leads us, then, to our second task: that of organizational realignment.

B. Organizational Realignment

Responsibility for homeland security resides at all levels of the U.S. government—local, state, and federal. Within the federal government, almost every agency and department is involved in some aspect of homeland security. None have been organized to focus on the scale of the contemporary threat to the homeland, however. This Commission urges an organizational realignment that:

- Designates a single person, accountable to the President, to be responsible for coordinating and overseeing various U.S. government activities related to homeland security;

- Consolidates certain homeland security activities to improve their effectiveness and coherence;

- Establishes planning mechanisms to define clearly specific responses to specific types of threats; and

- Ensures that the appropriate resources and capabilities are available.

Therefore, this Commission strongly recommends the following:

• 2: The President should propose, and Congress should agree to create, a National Homeland Security Agency (NHSA) with responsibility for planning, coordinating, and integrating various U.S. government activities involved in homeland security. The Federal Emergency Management Agency (FEMA) should be a key building block in this effort.

Given the multiplicity of agencies and activities involved in these homeland security tasks, someone needs to be responsible and accountable to the President not only to coordinate the making of policy, but also to oversee its implementation. This argues against assigning the role to a senior person on the National Security Council (NSC) staff and for the creation of a separate agency. This agency would give priority to overall planning while relying primarily on others to carry out those plans. To give this agency sufficient stature within the government, its director would be a member of the Cabinet and a statutory advisor to the National Security Council. The position would require Senate confirmation.

Notwithstanding NHSA's responsibilities, the National Security Council would still play a strategic role in planning and coordinating all homeland security activities. This would include those of NHSA as well as those that remain separate, whether they involve other NSC members or other agencies, such as the Centers for Disease Control within the Department of Health and Human Services.

We propose building the National Homeland Security Agency upon the capabilities of the Federal Emergency Management Agency (FEMA), an existing federal agency that has performed well in recent years, especially in responding to natural disasters. NHSA would be legislatively chartered to provide a focal point for all natural and manmade crisis and emergency planning scenarios. It would retain and strengthen FEMA's ten existing regional offices as a core element of its organizational structure.

While FEMA is the necessary core of the National Homeland Security Agency, it is not sufficient to do what NHSA needs to do. In particular, patrolling U.S. borders, and policing the flows of peoples and goods through the hundreds of ports of entry, must receive higher priority. These activities need to be better integrated, but efforts toward that end are hindered by the fact that the three organizations on the front line of border security are spread across three different U.S. Cabinet departments. The Coast Guard works under the Secretary of Transportation, the Customs Service is located in the Department of the Treasury, and the Immigration and Naturalization Service oversees the Border Patrol in the Department of Justice. In each case, the border defense agency is far from the mainstream of its parent department's agenda and consequently receives limited attention from the department's senior officials. We therefore recommend the following:

• 3: The President should propose to Congress the transfer of the Customs Service, the Border Patrol, and Coast Guard to the National Homeland Security Agency, while preserving them as distinct entities.

Bringing these organizations together under one agency will create important synergies. Their individual capabilities will be molded into a stronger and more effective system, and this realignment will help ensure that sufficient resources are devoted to tasks crucial to both public safety and U.S. trade and economic interests. Consolidating overhead, training programs, and maintenance of the aircraft, boats, and helicopters that these three agencies employ will save money, and further efficiencies could be realized with regard to other resources such as information technology, communications equipment, and dedicated sensors. Bringing these separate, but complementary, activities together will also facilitate more effective Executive and Legislative oversight, and help rationalize the process of budget preparation, analysis, and presentation.

Steps must be also taken to strengthen these three individual organizations themselves. The Customs Service, the Border Patrol, and the Coast Guard are all on the verge of being overwhelmed by the mismatch between their growing duties and their mostly static resources.

The Customs Service, for example, is charged with preventing contraband from entering the United States. It is also responsible for preventing terrorists from using the commercial or private transportation venues of international trade for smuggling explosives or weapons of mass destruction into or out of the United States. The Customs Service, however, retains only a modest air, land, and marine interdiction force, and its investigative component, supported by its own intelligence branch, is similarly modest. The high volume of conveyances, cargo, and passengers arriving in the United States each year already overwhelms the Customs Service's capabilities. Over $8.8 billion worth of goods, over 1.3 million people, over 340,000 vehicles, and over 58,000 shipments are processed *daily* at entry points. Of this volume, Customs can inspect *only one to two percent* of all inbound shipments. The volume of U.S. international trade, measured in terms of dollars and containers, has doubled since 1995, and it may well double again between now and 2005.

Therefore, this Commission believes that *an improved computer information capability and tracking system—as well as upgraded equipment that can detect both conventional and nuclear explosives, and chemical and biological agents—would be a wise short-term investment with important long-term benefits*. It would also raise the risk for criminals seeking to target or exploit importers and cargo carriers for illicit gains.[6]

The Border Patrol is the uniformed arm of the Immigration and Naturalization Service. Its mission is the detection and prevention of illegal entry into the United States. It works primarily between ports of entry and patrols the borders by various means. There has been a debate for many years about whether the dual functions of the Immigration and Naturalization Service—border control and enforcement on the one side, and immigration facilitation on the other—should be joined under the same roof. The U.S. Commission on Immigration Reform concluded that they should not be joined.[7] We agree: the Border Patrol should become part of the NHSA.

The U.S. Coast Guard is a highly disciplined force with multiple missions and a natural role to play in homeland security. It performs maritime search and rescue missions, manages vessel traffic, enforces U.S. environmental and fishery laws, and interdicts and searches vessels

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[6] See the *Report of the Interagency Commission on Crime and Security in U.S. Seaports* (Washington, DC: Fall 2000).

[7] See the *Report of the U.S. Commission on Immigration Reform* (Washington, DC: 1997).

suspected of carrying illegal aliens, drugs, and other contraband. In a time of war, it also works with the Navy to protect U.S. ports from attack.

Indeed, in many respects, the Coast Guard is a model homeland security agency given its unique blend of law enforcement, regulatory, and military authorities that allow it to operate within, across, and beyond U.S. borders. It accomplishes its many missions by routinely working with numerous local, regional, national, and international agencies, and by forging and maintaining constructive relationships with a diverse group of private, non-governmental, and public marine-related organizations. As the fifth armed service, in peace and war, it has national defense missions that include port security, overseeing the defense of coastal waters, and supporting and integrating its forces with those of the Navy and the other services.

The case for preserving and enhancing the Coast Guard's multi-mission capabilities is compelling. But its crucial role in protecting national interests close to home has not been adequately appreciated, and this has resulted in serious and growing readiness concerns. U.S. Coast Guard ships and aircraft are aging and technologically obsolete; indeed, the Coast Guard cutter fleet is older than 39 of the world's 41 major naval fleets. As a result, the Coast Guard fleet generates excessive operating and maintenance costs, and lacks essential capabilities in speed, sensors, and interoperability. To fulfill all of its missions, the Coast Guard requires updated platforms with the staying power, in hazardous weather, to remain offshore and fully operational throughout U.S. maritime economic zones.[8]

The Commission recommends strongly that Congress recapitalize the Customs Service, the Border Patrol, and the Coast Guard so that they can confidently perform key homeland security roles.

NHSA's planning, coordinating, and overseeing activities would be undertaken through three staff Directorates. The Directorate of Prevention would oversee and coordinate the various border security activities, as discussed above. A Directorate of Critical Infrastructure Protection (CIP) would handle the growing cyber threat. FEMA's emergency preparedness and response activities would be strengthened in a third directorate to cover both natural and manmade disasters. A Science and Technology office would advise the NHSA Director on research and development efforts and priorities for all three directorates.

Relatively small permanent staffs would man the directorates. NHSA will employ FEMA's principle of working effectively with state and local governments, as well as with other federal organizations, stressing interagency coordination. Much of NHSA's daily work will take place directly supporting state officials in its regional offices around the country. Its organizational infrastructure *will not be heavily centered* in the Washington, DC area.

NHSA would also house a National Crisis Action Center (NCAC), which would become the nation's focal point for monitoring emergencies and for coordinating federal support in a crisis to state and local governments, as well as to the private sector. We envision the center to be an interagency operation, directed by a two-star National Guard general, with full-time representation from the other federal agencies involved in homeland security (See Figure 1).

[8] See Report of the Interagency Task Force on U.S. Coast Guard Roles and Missions, *A Coast Guard for the Twenty First-Century* (Washington, DC: December 1999).

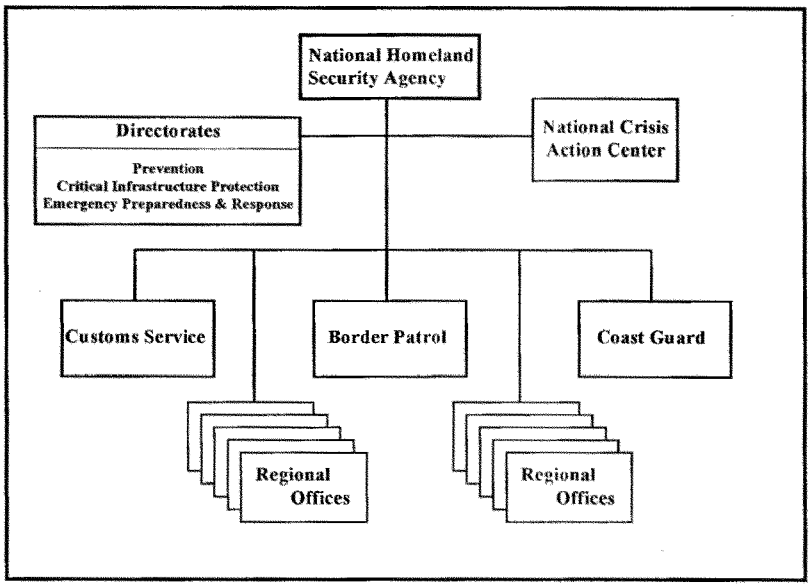

Figure 1: National Homeland Security Agency

NHSA will require a particularly close working relationship with the Department of Defense. It will need also to create and maintain strong mechanisms for the sharing of information and intelligence with U.S. domestic and international intelligence entities. We suggest that NHSA have liaison officers in the counter-terrorism centers of both the FBI and the CIA. Additionally, the sharing of information with business and industry on threats to critical infrastructures requires further expansion.

NHSA will also assume responsibility for overseeing the protection of the nation's critical infrastructure. Considerable progress has been made in implementing the recommendations of the President's Commission on Critical Infrastructure Protection (PCCIP) and Presidential Decision Directive 63 (PDD-63). But more needs to be done, for the United States has real and growing problems in this area.

U.S. dependence on increasingly sophisticated and more concentrated critical infrastructures has increased dramatically over the past decade. Electrical utilities, water and sewage systems, transportation networks, and communications and energy systems now depend

on computers to provide safe, efficient, and reliable service. The banking and finance sector, too, keeps track of millions of transactions through increasingly robust computer capabilities.

The overwhelming majority of these computer systems are privately owned, and many operate at or very near capacity *with little or no provision for manual back-ups in an emergency*. Moreover, the computerized information networks that link systems together are themselves vulnerable to unwanted intrusion and disruption. An attack on any one of several highly interdependent networks can cause collateral damage to other networks and the systems they connect. Some forms of disruption will lead merely to nuisance and economic loss, but other forms will jeopardize lives. One need only note the dependence of hospitals, air-traffic control systems, and the food processing industry on computer controls to appreciate the point.

The bulk of unclassified military communications, too, relies on systems almost entirely owned and operated by the private sector. Yet little has been done to assure the security and reliability of those communications in crisis. Current efforts to prevent attacks, protect against their most damaging effects, and prepare for prompt response are uneven at best, and this is dangerous because a determined adversary is most likely to employ a weapon of mass disruption during a homeland security or foreign policy crisis.

As noted above, a Directorate for Critical Infrastructure Protection would be an integral part of the National Homeland Security Agency. This directorate would have two vital responsibilities. First would be to oversee the physical assets and information networks that make up the U.S. critical infrastructure. It should ensure the maintenance of a nucleus of cyber security expertise within the government, as well. There is now an alarming shortage of government cyber security experts due in large part to the financial attraction of private-sector employment that the government cannot match under present personnel procedures.[9] The director's second responsibility would be as the Critical Information Technology, Assurance, and Security Office (CITASO). This office would coordinate efforts to address the nation's vulnerability to electronic or physical attacks on critical infrastructure.

Several critical activities that are currently spread among various government agencies and the private sector *should be brought together for this purpose.* These include:

- Information Sharing and Analysis Centers (ISACs), which are government-sponsored committees of private-sector participants who work to share information, plans, and procedures for information security in their fields;

- The Critical Infrastructure Assurance Office (CIAO), currently housed in the Commerce Department, which develops outreach and awareness programs with the private sector;

- The National Infrastructure Protection Center (NIPC), currently housed in the FBI, which gathers information and provides warnings of cyber attacks; and

- The Institute for Information Infrastructure Protection (I3P), also in the Commerce Department, which is designed to coordinate and support research and development projects on cyber security.

[9] We return to this problem below in Section IV.

In partnership with the private sector where most cyber assets are developed and owned, the Critical Infrastructure Protection Directorate would be responsible for enhancing information sharing on cyber and physical security, tracking vulnerabilities and proposing improved risk management policies, and delineating the roles of various government agencies in preventing, defending, and recovering from attacks. To do this, the government needs to institutionalize better its private-sector liaison across the board—with the owners and operators of critical infrastructures, hardware and software developers, server/service providers, manufacturers/producers, and applied technology developers.

The Critical Infrastructure Protection Directorate's work with the private sector must include a strong advocacy of greater government and corporate investment in information assurance and security. The CITASO would be the focal point for coordinating with the Federal Communications Commission (FCC) in helping to establish cyber policy, standards, and enforcement mechanisms. Working closely with the Office of Management and Budget (OMB) and its Chief Information Officer Council (CIO Council), the CITASO needs to speak for those interests in government councils.[10] The CITASO must also provide incentives for private-sector participation in Information Sharing and Analysis Centers to share information on threats, vulnerabilities, and individual incidents, to identify interdependencies, and to map the potential cascading effects of outages in various sectors.

The directorate also needs to help coordinate cyber security issues internationally. At present, the FCC handles international cyber issues for the U.S. government through the International Telecommunications Union. As this is one of many related international issues, it would be unwise to remove this responsibility from the FCC. Nevertheless, the CIP Directorate should work closely with the FCC on cyber issues in international bodies.

The mission of the NHSA must include specific planning and operational tasks to be staffed through the Directorate for Emergency Preparedness and Response. These include:

- Setting training and equipment standards, providing resource grants, and encouraging intelligence and information sharing among state emergency management officials, local first responders, the Defense Department, and the FBI;

- Integrating the various activities of the Defense Department, the National Guard, and other federal agencies into the Federal Response Plan; and

- Pulling together private sector activities, including those of the medical community, on recovery, consequence management, and planning for continuity of services.

Working with state officials, the emergency management community, and the law enforcement community, the job of NHSA's third directorate will be to rationalize and refine the nation's incident response system. The current distinction between crisis management and consequence management is neither sustainable nor wise. The duplicative command arrangements that have been fostered by this division are prone to confusion and delay. NHSA should develop and manage a single response system for national incidents, in close coordination

[10] The Chief Information Officer Council is a government organization consisting of all the statutory Chief Information Officers in the government. It is located within OMB under the Deputy Director for Management.

with the Department of Justice (DoJ) and the FBI. This would require that the current policy, which specifies initial DoJ control in terrorist incidents on U.S. territory, be amended once Congress creates NHSA. We believe that this arrangement would in no way contradict or diminish the FBI's traditional role with respect to law enforcement.

The Emergency Preparedness and Response Directorate should also assume a major resource and budget role. With the help of the Office of Management and Budget, the directorate's first task will be to figure out what is being spent on homeland security in the various departments and agencies. Only with such an overview can the nation identify the shortfalls between capabilities and requirements. Such a mission budget should be included in the President's overall budget submission to Congress. The Emergency Preparedness and Response Directorate will also maintain federal asset databases and encourage and support up-to-date state and local databases.

FEMA has adapted well to new circumstances over the past few years and has gained a well-deserved reputation for responsiveness to both natural and manmade disasters. While taking on homeland security responsibilities, the proposed NHSA would strengthen FEMA's ability to respond to such disasters. It would streamline the federal apparatus and provide greater support to the state and local officials who, as the nation's first responders, possess enormous expertise. To the greatest extent possible, federal programs should build upon the expertise and existing programs of state emergency preparedness systems and help promote regional compacts to share resources and capabilities.

To help simplify federal support mechanisms, ***we recommend transferring the National Domestic Preparedness Office (NDPO), currently housed at the FBI, to the National Homeland Security Agency.*** The Commission believes that this transfer to FEMA should be done at first opportunity, even before NHSA is up and running.

The NDPO would be tasked with organizing the training of local responders and providing local and state authorities with equipment for detection, protection, and decontamination in a WMD emergency. NHSA would develop the policies, requirements, and priorities as part of its planning tasks as well as oversee the various federal, state, and local training and exercise programs. In this way, a single staff would provide federal assistance for any emergency, whether it is caused by flood, earthquake, hurricane, disease, or terrorist bomb.

A WMD incident on American soil is likely to overwhelm local fire and rescue squads, medical facilities, and government services. Attacks may contaminate water, food, and air; large-scale evacuations may be necessary and casualties could be extensive. Since getting prompt help to those who need it would be a complex and massive operation requiring federal support, such operations must be extensively planned in advance. Responsibilities need to be assigned and procedures put in place for these responsibilities to evolve if the situation worsens.

As we envision it, state officials will take the initial lead in responding to a crisis. NHSA will normally use its Regional Directors to coordinate federal assistance, while the National Crisis Action Center will monitor ongoing operations and requirements. Should a crisis overwhelm local assets, state officials will turn to NHSA for additional federal assistance. In major crises, upon the recommendation of the civilian Director of NHSA, the President will designate a senior figure—a Federal Coordinating Officer—to assume direction of all federal activities on the scene. If the situation warrants, a state governor can ask that active military forces reinforce National Guard units already on the scene. Once the President federalizes National Guard forces, or if he

decides to use Reserve forces, the Joint Forces Command will assume responsibility for all military operations, acting through designated task force commanders. At the same time, the Secretary of Defense would appoint a Defense Coordinating Officer to provide civilian oversight and ensure prompt civil support. This person would work for the Federal Coordinating Officer. This response mechanism is displayed in Figure 2.

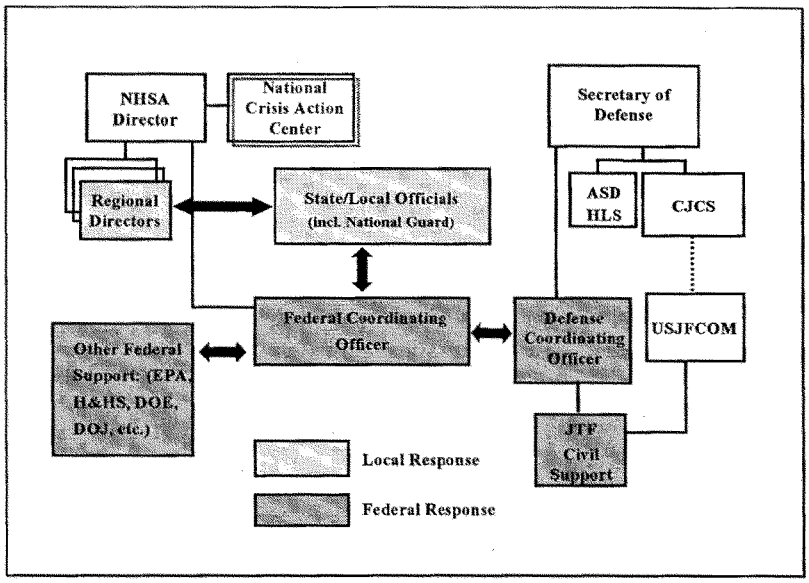

Figure 2: Emergency Response Mechanisms

To be capable of carrying out its responsibilities under extreme circumstances, NHSA will need to undertake robust exercise programs and regular training to gain experience and to establish effective command and control procedures. It will be essential to update regularly the Federal Response Plan. It will be especially critical for NHSA officials to undertake detailed planning and exercises for the *full range* of potential contingencies, *including ones that require the substantial involvement of military assets in support.*

NHSA will provide the overarching structure for homeland security, but other government agencies will retain specific homeland security tasks. We take the necessary obligations of the major ones in turn.

Intelligence Community. Good intelligence is the key to preventing attacks on the homeland and homeland security should become one of the intelligence community's most

important missions.[11] Better human intelligence must supplement technical intelligence, especially on terrorist groups covertly supported by states. As noted above, fuller cooperation and more extensive information-sharing with friendly governments will also improve the chances that would-be perpetrators will be detained, arrested, and prosecuted before they ever reach U.S. borders.

The intelligence community also needs to embrace cyber threats as a legitimate mission and to incorporate intelligence gathering on potential strategic threats from abroad into its activities.

To advance these ends, we offer the following recommendation:

- **4: The President should ensure that the National Intelligence Council: include homeland security and asymmetric threats as an area of analysis; assign that portfolio to a National Intelligence Officer; and produce National Intelligence Estimates on these threats.**

Department of State. U.S. embassies overseas are the American people's first line of defense. U.S. Ambassadors must make homeland security a top priority for all embassy staff, and Ambassadors need the requisite authority to ensure that information is shared in a way that maximizes advance warning overseas of direct threats to the United States.

Ambassadors should also ensure that the gathering of information, and particularly from open sources, takes full advantage of all U.S. government resources abroad, including diplomats, consular officers, military officers, and representatives of the various other departments and agencies. The State Department should also strengthen its efforts to acquire information from Americans living or travelling abroad in private capacities.

The State Department has made good progress in its overseas efforts to reduce terrorism, but we now need to extend this effort into the Information Age. Working with NHSA's CIP Directorate, the State Department should expand cooperation on critical infrastructure protection with other states and international organizations. Private sector initiatives, particularly in the banking community, provide examples of international cooperation on legal issues, standards, and practices. Working with the CIP Directorate and the FCC, the State Department should also encourage other governments to criminalize hacking and electronic intrusions and to help track hackers, computer virus proliferators, and cyber terrorists.

Department of Defense. The Defense Department, which has placed its highest priority on preparing for major theater war, should pay far more attention to the homeland security mission. Organizationally, DoD responses are widely dispersed. An Assistant to the Secretary of Defense for Civil Support has responsibility for WMD incidents, while the Department of the Army's Director of Military Support is responsible for non-WMD contingencies. Such an arrangement does not provide clear lines of authority and responsibility or ensure political accountability. The Commission therefore recommends the following:

[11] We return to this issue in our discussion of the Intelligence Community in Section III.F., particularly in recommendation 37.

• 5: The President should propose to Congress the establishment of an Assistant Secretary of Defense for Homeland Security within the Office of the Secretary of Defense, reporting directly to the Secretary.

A new Assistant Secretary of Defense for Homeland Security would provide policy oversight for the various DoD activities within the homeland security mission and ensure that mechanisms are in place for coordinating military support in major emergencies. He or she would work to integrate homeland security into Defense Department planning, and ensure that adequate resources are forthcoming. This Assistant Secretary would also represent the Secretary in the NSC interagency process on homeland security issues.

Along similar lines and for similar reasons, we also recommend that ***the Defense Department broaden and strengthen the existing Joint Forces Command/Joint Task Force-Civil Support (JTF-CS) to coordinate military planning, doctrine, and command and control for military support for all hazards and disasters.***

This task force should be directed by a senior National Guard general with additional headquarters personnel. JTF-CS should contain several rapid reaction task forces, composed largely of rapidly mobilizable National Guard units. The task force should have command and control capabilities for multiple incidents. Joint Forces Command should work with the Assistant Secretary of Defense for Homeland Security to ensure the provision of adequate resources and appropriate force allocations, training, and equipment for civil support.

On the prevention side, maintaining strong nuclear and conventional forces is as high a priority for homeland security as it is for other missions. Shaping a peaceful international environment and deterring hostile military actors remain sound military goals. But deterrent forces may have little effect on non-state groups secretly supported by states, or on individuals with grievances real or imagined. In cases of clear and imminent danger, the military must be able to take preemptive action overseas in circumstances where local authorities are unable or unwilling to act. For this purpose, as noted above, the United States needs to be prepared to use its rapid, long-range precision strike capabilities. A decision to act would obviously rest in civilian hands, and would depend on intelligence information and assessments of diplomatic consequences. But even if a decision to strike preemptively is never taken or needed, the capability should be available nonetheless, for knowledge of it can contribute to deterrence.

We also suggest that the Defense Department broaden its mission of protecting air, sea, and land approaches to the United States, consistent with emerging threats such as the potential proliferation of cruise missiles. The department should examine alternative means of monitoring approaches to the territorial United States. Modern information technology and sophisticated sensors can help monitor the high volumes of traffic to and from the United States. Given the volume of legitimate activities near and on the border, even modern information technology and remote sensors cannot filter the good from the bad as a matter of routine. It is neither wise nor possible to create a surveillance umbrella over the United States. But Defense Department assets can be used to support detection, monitoring, and even interception operations when intelligence indicates a specific threat.

Finally, a better division of labor and understanding of responsibilities is essential in dealing with the connectivity and interdependence of U.S. critical infrastructure systems. This includes addressing the nature of a national transportation network or cyber emergency and the Defense Department's role in prevention, detection, or protection of the national critical

infrastructure. The department's sealift and airlift plans are premised on largely unquestioned assumptions that domestic transportation systems will be fully available to support mobilization requirements. The department also is paying insufficient attention to the vulnerability of its information networks. Currently, the department's computer network defense task force (JTF-Computer Network Defense) is underfunded and understaffed for the task of managing an actual strategic information warfare attack. It should be given the resources to carry out its current mission and is a logical source of advice to the proposed NHSA Critical Information Technology, Assurance, and Security Office.

National Guard. The National Guard, whose origins are to be found in the state militias authorized by the U.S. Constitution, should play a central role in the response component of a layered defense strategy for homeland security. We therefore recommend the following:

• 6: The Secretary of Defense, at the President's direction, should make homeland security a primary mission of the National Guard, and the Guard should be organized, properly trained, and adequately equipped to undertake that mission.

At present, the Army National Guard is primarily organized and equipped to conduct sustained combat overseas. In this the Guard fulfills a strategic reserve role, augmenting the active military during overseas contingencies. At the same time, the Guard carries out many state-level missions for disaster and humanitarian relief, as well as consequence management. For these, it relies upon the discipline, equipment, and leadership of its combat forces. The National Guard should redistribute resources currently allocated predominantly to preparing for conventional wars overseas to provide greater support to civil authorities in preparing for and responding to disasters, especially emergencies involving weapons of mass destruction.

Such a redistribution should flow from a detailed assessment of force requirements for both theater war and homeland security contingencies. The Department of Defense should conduct such an assessment, with the participation of the state governors and the NHSA Director. In setting requirements, the department should minimize forces with dual missions or reliance on active forces detailed for major theater war. This is because the United States will need to maintain a heightened deterrent and defensive posture against homeland attacks *during* regional contingencies abroad. The most likely timing of a major terrorist incident will be while the United States is involved in a conflict overseas.[12]

The National Guard is designated as the primary Department of Defense agency for disaster relief. In many cases, the National Guard will respond as a state asset under the control of state governors. While it is appropriate for the National Guard to play the lead military role in managing the consequences of a WMD attack, its capabilities to do so are uneven and in some cases its forces are not adequately structured or equipped. Twenty-two WMD Civil Support Teams, made up of trained and equipped full-time National Guard personnel, will be ready to deploy rapidly, assist local first responders, provide technical advice, and pave the way for additional military help. These teams fill a vital need, but more effort is required.

This Commission recommends that the National Guard be directed to fulfill its historic and Constitutional mission of homeland security. It should provide a mobilization base with strong local ties and support. It is already "forward deployed" to achieve this mission and should:

[12] See the *Report of the National Defense University Quadrennial Defense Review 2001 Working Group* (Washington, DC: Institute for National Strategic Studies, November 2000), p. 60.

- Participate in and initiate, where necessary, state, local, and regional planning for responding to a WMD incident;

- Train and help organize local first responders;

- Maintain up-to-date inventories of military resources and equipment available in the area on short notice;

- Plan for rapid inter-state support and reinforcement; and

- Develop an overseas capability for international humanitarian assistance and disaster relief.

In this way, the National Guard will become a critical asset for homeland security.

Medical Community. The medical community has critical roles to play in homeland security. Catastrophic acts of terrorism or violence could cause casualties far beyond any imagined heretofore. Most of the American medical system is privately owned and now operates at close to capacity. An incident involving WMD will quickly overwhelm the capacities of local hospitals and emergency management professionals.

In response, the National Security Council, FEMA, and the Department of Health and Human Services have already begun a reassessment of their programs. Research to develop better diagnostic equipment and immune-enhancing drugs is underway, and resources to reinvigorate U.S. epidemiological surveillance capacity have been allocated. Programs to amass and regionally distribute inventories of antibiotics and vaccines have started, and arrangements for mass production of selected pharmaceuticals have been made. The Centers for Disease Control has rapid-response investigative units prepared to deploy and respond to incidents.

These programs will enhance the capacities of the medical community, but the momentum and resources for this effort must be extended. ***We recommend that the NHSA Directorate for Emergency Preparedness and Response assess local and federal medical resources to deal with a WMD emergency. It should then specify those medical programs needed to deal with a major national emergency beyond the means of the private sector, and Congress should fund those needs.***

C. EXECUTIVE-LEGISLATIVE COOPERATION

Solving the homeland security challenge is not just an Executive Branch problem. Congress should be an active participant in the development of homeland security programs, as well. Its hearings can help develop the best ideas and solutions. Individual members should develop expertise in homeland security policy and its implementation so that they can fill in policy gaps and provide needed oversight and advice in times of crisis. Most important, using its power of the purse, Congress should ensure that government agencies have sufficient resources and that their programs are coordinated, efficient, and effective.

Congress has already taken important steps. A bipartisan Congressional initiative produced the U.S. effort to deal with the possibility that weapons of mass destruction could

"leak" out of a disintegrating Soviet Union.[13] It was also a Congressional initiative that established the Domestic Preparedness Program and launched a 120-city program to enhance the capability of federal, state, and local first responders to react effectively in a WMD emergency.[14] Members of Congress from both parties have pushed the Executive Branch to identify and manage the problem more effectively. Congress has also proposed and funded studies and commissions on various aspects of the homeland security problem.[15] But it must do more.

A sound homeland security strategy requires the overhaul of much of the legislative framework for preparedness, response, and national defense programs. Congress designed many of the authorities that support national security and emergency preparedness programs principally for a Cold War environment. The new threat environment—from biological and terrorist attacks to cyber attacks on critical systems—poses vastly different challenges. ***We therefore recommend that Congress refurbish the legal foundation for homeland security in response to the new threat environment.***

In particular, Congress should amend, as necessary, key legislative authorities such as the Defense Production Act of 1950 and the Communications Act of 1934, which facilitate homeland security functions and activities.[16] Congress should also encourage the sharing of threat, vulnerability, and incident data between the public and private sectors—including federal agencies, state governments, first responders, and industry.[17] In addition, Congress should

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[13] Sponsored by Senators Sam Nunn and Richard Lugar.

[14] Public Law 104-201, *National Defense Authorization Act for FY 1997: Defense Against Weapons of Mass Destruction*. This legislation, known as the Nunn-Lugar-Domenici Amendment, was passed in July 1996.

[15] We note: the Rumsfeld Commission [*Report of the Commission to Assess the Ballistic Missile Threat to the United States* (Washington, DC: July 15, 1998)]; the Deutch Commission [*Combating Proliferation of Weapons of Mass Destruction* (Washington, DC: July 14, 1999)]; Judge William Webster's Commission [*Report on the Advancement of Federal Law Enforcement* (Washington, DC: January 2000)]; the Bremer Commission [Report of the National Commission on Terrorism, *Countering the Changing Threat of International Terrorism* (Washington, DC: June 2000)]; and an advisory panel led Virginia Governor James Gilmore [*First Annual Report to the President and the Congress of the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction* (Washington, DC: December 15, 1999)].

[16] The Defense Production Act was developed during the Korean War when shortages of critical natural resources such as coal, oil, and gas were prioritized for national defense purposes. [See Defense Production Act of 1950, codified at 50 USC App. § 2061 et seq. Title I includes delegations to prioritize and allocate goods and services based on national defense needs.] Executive Order 12919, *National Defense Industrial Resources Preparedness*, June 6, 1994, implements Title I of the Defense Production Act. Congressional review should focus on the applicability of the Defense Production Act to homeland security needs, ranging from prevention to restoration activities. Section 706 of the Communications Act of 1934 also needs revision so that it includes the electronic media that have developed in the past two decades. [See 48 Stat. 1104, 47 USC § 606, as amended.] Executive Order 12472, *Assignment of National Security and Emergency Preparedness Telecommunications Functions*, April 3, 1984, followed the breakup of AT&T and attempted to specify anew the prerogatives of the Executive Branch in accordance with the 1934 Act in directing national communications media during a national security emergency. It came before the Internet, however, and does not clearly apply to it.

[17] For more than four years, multiple institutions have called on national leadership to support laws and policies promoting security cooperation through public-private partnerships. See, for example, the President's Commission on Critical Infrastructure Protection, *Critical Foundations, Protecting America's Infrastructures* (Washington, DC: October 1997), pp. 86-88 and *Report of the Defense Science Board Task Force on Information Warfare* (Washington, DC: November 1996).

monitor and support current efforts to update the international legal framework for communications security issues.[18]

Beyond that, Congress has some organizational work of its own to do. As things stand today, so many federal agencies are involved with homeland security that it is exceedingly difficult to present federal programs and their resource requirements to the Congress in a coherent way. It is largely because the budget is broken up into so many pieces, for example, that counter-terrorism and information security issues involve nearly *two dozen* Congressional committees and subcommittees. The creation of the National Security Homeland Agency will redress this problem to some extent, but because of its growing urgency and complexity, homeland security will still require a stronger working relationship between the Executive and Legislative Branches. Congress should therefore find ways to address homeland security issues that bridge current jurisdictional boundaries and that create more innovative oversight mechanisms.

There are several ways of achieving this. The Senate's Arms Control Observer Group and its more recent NATO Enlargement Group were two successful examples of more informal Executive-Legislative cooperation on key multi-dimensional issues. Specifically, in the near term, this Commission recommends the following:

- **7: Congress should establish a special body to deal with homeland security issues, as has been done effectively with intelligence oversight. Members should be chosen for their expertise in foreign policy, defense, intelligence, law enforcement, and appropriations. This body should also include members of all relevant Congressional committees as well as ex-officio members from the leadership of both Houses of Congress.**

This body should develop a comprehensive understanding of the problem of homeland security, exchange information and viewpoints with the Executive Branch on effective policies and plans, and work with standing committees to develop integrated legislative responses and guidance. Meetings would often be held in closed session so that Members could have access to interagency deliberations and diverging viewpoints, as well as to classified assessments. Such a body would have neither a legislative nor an oversight mandate, and it would not eclipse the authority of any standing committee.

At the same time, Congress needs to systematically review and restructure its committee system, as will be proposed in recommendation 48. A single, select committee in each house of Congress should be given authorization, appropriations, and oversight responsibility for all homeland security activities. When established, these committees would replace the function of the oversight body described in recommendation 7.

In sum, the federal government must address the challenge of homeland security with greater urgency. The United States is not immune to threats posed by weapons of mass destruction or disruption, but neither is it entirely defenseless against them. Much has been done to prevent and defend against such attacks, but these efforts must be incorporated into the nation's overall security strategy, and clear direction must be provided to all departments and agencies.

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[18] This includes substantial efforts in multiple forums, such as the Council of Europe and the G8, to fight transnational organized crime. See *Communiqué* on principles to fight transnational organized crime, Meeting of the Justice and Interior Ministers of the Eight, December 9-10, 1997.

Non-traditional national security agencies that now have greater relevance than they did in the past must be reinvigorated. Accountability, authority, and responsibility must be more closely aligned within government agencies. An Executive-Legislative consensus is required, as well, to convert strategy and resources into programs and capabilities, and to do so in a way that preserves fundamental freedoms and individual rights.

Most of all, however, the government must reorganize itself for the challenges of this new era, and make the necessary investments to allow an improved organizational structure to work. Through the Commission's proposal for a National Homeland Security Agency, the U.S. government will be able to improve the planning and coordination of federal support to state and local agencies, to rationalize the allocation of resources, to enhance readiness in order to prevent attacks, and to facilitate recovery if prevention fails. Most important, this proposal integrates the problem of homeland security within the broader framework of U.S. national security strategy. In this respect, it differs significantly from issue-specific approaches to the problem, which tend to isolate homeland security away from the larger strategic perspective of which it *must* be a part.

We are mindful that erecting the operational side of this strategy will take time to achieve. Meanwhile, the threat grows ever more serious. That is all the more reason to start right away on implementing the recommendations put forth here.

Mr. SHAYS. It may have been beneath his pay grade, but I think he realizes the important work of the Commission and, therefore, was happy to serve.

It is wonderful, Senator, to have you here. You are such a distinguished witness, and the Commission has done such an outstanding job.

Obviously, General, it is a tremendous honor to have you testify before the committee, for your service to our country.

I'm just going to acknowledge the presence of Mr. Gilman, Ben Gilman, who is the former chairman of the International Relations Committee. We will be calling on him shortly.

General Boyd, we are happy to have you make your statement.

General BOYD. There's not much I can add to that statement.

Mr. SHAYS. Is that because you wrote it? [Laughter.]

General BOYD. That is his statement, sir. That is his statement.

I might add one piece of evidence or emphasis or amplification. I believe at the outset of this enterprise if you would have queried the 14 commissioners and asked them if they were going to end up at the end making their most important recommendation, their highest priority recommendation, the forming of a National Homeland Security Agency I think they would have scoffed at the idea. But as time went on—and I watched their thinking develop, and they watched and saw the evidence from the intelligence community, as they traveled about—and they traveled throughout the world to over two dozen countries—there was a gradual coming together of their thinking along the lines as follows.

One, that the resentment focused toward the United States throughout much of the world I think came as a surprise. As a symbol of the globalizing vectors that we are on and the exclusion of so many people and nations from that process, and the emphasis of the United States being the symbol of that vector has produced a degree of resentment that, as I say, I think came as a surprise to many.

It was crystallized one night as we were in Egypt talking with a group of scholars, and one of them, a distinguished gentleman, looked at us and said, "The problem for you over the next quarter of a century is managing resentment throughout the world against your country." At some level I think that was a message we got everywhere.

When we coupled that with all of the intelligence that we have access to and saw that the proliferation of these capabilities, these weapons of mass destruction, weapons of mass disruption into the hands of State and non-state actors who never before in history had that kind of power that they could wield against a great State, and coupled with what they might consider reason to be resentful of us, we had the formula for a security problem that, as the Senator said, we feared we just weren't addressing in any sophisticated or complete way.

I think that's what drove these commissioners to the set of conclusions that they reached at the end. Stacking this as the most important, the highest priority national security objective that our Nation should adopt.

Mr. SHAYS. Thank you very much, General.

It is, candidly, a very stunning recommendation, and one that I was surprised by, but, given the work that our committee has done, we, I think, can fully understand why it was made.

I would make the point to you that Mac Thornberry has introduced legislation that incorporates your recommendations. It was sent to this committee, and it will—excuse me, sent to the full committee, I think probably sent to this committee, but not sure. But, at any rate, I believe it will be seriously considered by the committee.

Senator RUDMAN. Mr. Chairman, I believe that Congressman Skelton also is introducing or has introduced or about to a major piece of legislation, not precisely like Congressman Thornberry's, but dealing with this issue based on our program.

Mr. SHAYS. That's great to know. We will be following that, as well.

At this time I would call on Adam Putnam, the vice chairman of the committee, to start the questioning.

Mr. PUTNAM. Thank you, Mr. Chairman.

I thank the panel for their very intriguing and unnerving testimony, but certainly you fulfilled your role in thinking outside the box and bringing us a very innovative approach.

You make great reference to managing this resentment. How much of this resentment is of our own doing that could be addressed through consistency policy or redirection of policies, and how much of it is, as you alluded to, an overall vexing discomfort that we see even in our own country over the uncontrollable forces of globalization?

Senator RUDMAN. Well, I'll answer briefly and let General Boyd comment.

There were some things that will change only if and when American foreign policy changes in some areas—and I'm not suggesting it should be changed, I'm just trying to answer your question. Certainly in the Middle East it is our foreign policy in the middle east that drives this resentment. I've had that kind of—some up-close and personal experience with that recently, and there is no question that there was deep resentment, and the Osama Ben Laden activities are driven by our policy. I have always thought our policy was the correct policy, but obviously people out there don't.

In other parts of the world it is not so much our policy as our projected strength. You know, nobody likes the big guy. Sometimes we haven't been over the years too circumspect in how we dealt with our bigness, so there's that kind of resentment. And that, of course, plays right into the last part of your question, Congressman Putnam, and that was the fact that undoubtedly globalization tends to put all of us under a magnifying glass. And you put it all together and you find this resentment at an extraordinary level, which I think surprised even some of us who had major foreign travel, had served on major committees that dealt with these issues, but the resentment was substantial.

Chuck, do you want to add to that at all?

General BOYD. Just this—that if you develop a strategy, a national security strategy, for dealing with this problem, it seems to me that the—and along the lines that we have suggested, the

framework of which would be a protection—prevention, protection, and response.

The prevention piece deals at the heart of this problem. The Diplomatic Corps would be at the forefront of dealing with this problem over the rest of the planet.

I think that the kind of self-absorption that we often project, or maybe even arrogance, is all a part of that, and that can be worked in a solid approach, a diplomatic approach to this problem.

But in the end, as the Senator says, we're going to be the symbol of power and wealth and influence, and there's going to be resentment, no matter how effective our diplomatic approach is, so this is something we just simply have to deal with, have to live with, and prepare for, it seems to me.

Mr. SHAYS. Has our hierarchy of threats that all of these establishments have identified, has it evolved too match this changed philosophy, this newfound globalized resentment that has developed at the close of the cold war? Are we prepared for the proper threats, both at home and abroad?

Senator RUDMAN. Well, I think the answer is clearly no. Let me give you an anecdote of something that got all of our attention about 6 months ago. I really commend to you an article in "Foreign Relations Magazine" about a young Coast Guard commander who was doing a fellowship up there in New York who decided to look at the threat of weapons of mass destruction to the United States. I mean, it's stunning, and let me just give you in a paragraph what essentially the findings were.

There are 55,000 containers that come off ships into the United States every day—55,000. A small fraction of them are opened at the port. Most of them go to their destination, be it St. Louis or Chicago, Dallas, Boston, whatever, on the West Cost, into the southwest or along the West Coast. Some of them aren't opened for a matter of months, I believe—am I correct, Chuck?

General BOYD. Could be a month or two. Yes.

Senator RUDMAN. Month or two. It doesn't take much imagination, with the technology available to so many people who ought not to have it, that the acquisition of a small amount of fissionable material put in the right kind of a design and placed on one of those carriers—I mean, the thought is horrendous, but it is real. It also goes to biological and chemical.

So, although I am not here to comment on the proposal that is being debated about missile shield defense, if I wanted to set off a weapon of mass destruction in New York I think I probably wouldn't do it with something that had a return address on it.

We had testimony from the intelligence community and from people looking at this problem, and we need more intelligence, but, most of all, we don't only need more prevention, but we have to understand how to respond.

You may remember that former Secretary of Defense Bill Cohen, about a year-and-a-half ago—I believe it was before you came to Congress, Mr. Putnam, but it is worth getting a look at, in response to your question. Secretary Cohen wrote an article that essentially said, "It's not a question of if, it is a question of when." I'm sure the Members of Congress here remember reading that. It was a very stunning article—it appeared in the "Washington Post"

op-ed page—in which the Secretary of Defense said, "We're going to have a horrible incident in this country over the next 10 to 15 years, sooner or later. We don't know. It's going to happen, and we're not prepared to deal with it."

You know, I was thinking, as we were developing this report, of the horrible events of Oklahoma City. Mr. Chairman and members of the committee, that was a horrible event. That was infinitesimal compared to what we're talking about, and it has to be addressed. It is a moral responsibility for this Congress to address this issue. You don't have to come up with our solution, but you have to come up with a solution.

Mr. SHAYS. Thank you.

Mr. Kucinich, and then we'll go to Mr. Gilman.

Mr. KUCINICH. Senator, again, welcome.

Senator RUDMAN. Thank you.

Mr. KUCINICH. In your testimony you said, "Perhaps most important, we are proposing to do all this in such a way as to guarantee the civil liberties we all hold dear." I had a chance to review the phase three report, and I may have missed the section, or maybe it wasn't included, but I didn't see any comprehensive statement in here of how civil liberties would be guaranteed in such a framework.

Senator RUDMAN. On page 11, top paragraph, let me read you that paragraph so you don't have to look it up. "Congress is perched, as well, for guaranteeing that homeland security is achieved within a framework of law that protects the civil liberties and privacy of American citizens. We are confident that the Government can enhance national security without compromising Constitutional principles. In order to guarantee this, we must plan ahead. In a major attack involving——"

Mr. KUCINICH. Senator, with all due respect, I did see that.

Senator RUDMAN. All right. Fine.

Mr. KUCINICH. With all due respect, I did see that.

Senator RUDMAN. What is your question? How do we do it?

Mr. KUCINICH. I'll go over it again.

Senator RUDMAN. All right.

Mr. KUCINICH. You said that we're proposing to do this in such a way as to guarantee the civil liberties.

Senator RUDMAN. Correct.

Mr. KUCINICH. How do you establish a national security apparatus in the United States, in effect implement a national security state, and simultaneously protect civil liberties? I think we'd all be interested to know——

Senator RUDMAN. I'd be happy to answer the question.

Mr. KUCINICH [continuing]. How you would do that.

Senator RUDMAN. You see, Congressman, that's a great question. The problem we were all concerned with was, without this kind of planning, if something happens in Cleveland it is going to be the military that is going to be there instantly, and you may have to even declare marshal law if there are enough casualties and enough destruction. You've not planned for it. You don't have interfaces between Federal and State government and city government which are already planned and in place with civilians in charge. That's what will happen today. That's what happens in the event

of massive tornadoes or massive hurricanes along the Southeast Coast back about 10, 12 years ago and more recently.

What we say is, if you have a civilian in charge of this agency and you are planning and training in prevention is involved with setting up scenario planning with city and State governments across this country, then if something does happen you are in a position to have civilian control with the military assisting them.

Now, the military has so-called "posse comitatus" restrictions, as well it should, but in times of marshal law, you know, those essentially aren't observed.

Mr. KUCINICH. So you are envisioning marshal law?

Senator RUDMAN. I'm envisioning that there would be marshal law unless you had this agency in place. That's what we're—absolutely.

Mr. KUCINICH. So a Governor doesn't have the ability to, in effect, declare an emergency? A mayor doesn't have that ability to declare an emergency?

Senator RUDMAN. They certainly do, but they do not have the authority to declare marshal law on a national basis, I can assure you that.

Mr. KUCINICH. Local police departments don't have the ability to enforce law within a community?

Senator RUDMAN. Congressman, as good as local police forces are—and I'm a former State Attorney General and I have a high regard for them—they could not possibly cope with the kind of thing we're talking about. They don't have enough resources, enough people. And, by the way, they may be the victims, themselves.

Mr. KUCINICH. And when we speak of homeland security, we're implying that we are not protected right now.

Senator RUDMAN. We are not.

Mr. KUCINICH. There's $300 billion a year the American taxpayers pay for a Department of Defense, and billions more for State patrol and billions more for protection of their local police departments, and you're saying that, despite spending billions and billions and billions of dollars, we're still not protected. And so I would ask you, Senator, just as coming from Cleveland, OH, as you so kindly recognized, how could I convince my constituents that, in an environment where hundreds of billions of dollars are being spent and that's not enough, that they should spend more, particularly when their schools are not up to par, when people don't have decent health care, when they have roads and bridges falling apart. Please enlighten me, Senator.

Senator RUDMAN. Sure. I'd be happy to.

No. 1, we're not saying you have to spend more. These agencies spend quite a bit of money now, themselves, but we think that we're not getting the right bang for the buck.

No. 2, with all due respect to your comments about national security, almost all of our expenditures for national security, up to now, at least, are for conventional warfare in a two major theater war scenario, which I expect will soon be done with, but that is the current plan. All the aircraft carriers, all the Army and Marine divisions, the entire Air Force, none of that is directed toward homeland security.

The only thing that we know is that if something bad happens today the only organization in the United States, the only organization in the event of a weapon of mass destruction going off or being put in the water supply or what, the only people who could respond would be U.S. military. There is no one else. They have the transportation the communication, the medical supplies, they have it all. Unfortunately, it has not been coordinated in the way that it has to be, and we believe this agency, in its prevention and response missions, would do just that.

Mr. KUCINICH. I'd like to go back to something, Senator, and that is: how do we guarantee civil liberties in a national security state? I mean, we're really talking about a profound change in the way we view ourselves as a Nation. We're talking about a fortress America here. How do we guarantee people's basic Constitutional rights to privacy, to being able to freely associate with who they want, to be able to freely speak in the way that they want? How do we guarantee that within the framework of a bill that, frankly, its linguistic construction raises some chilling possibilities of something that is anti-democratic.

Senator RUDMAN. You know, we debated that and we don't think it does. We had people on our Commission such as former NBC correspondent Bud Dancy that was very concerned about that very issue, and we don't think our recommendation amounts to that at all.

As a matter of fact, Congressman, I can almost guarantee you that the people of Cleveland, OH, wouldn't even know this agency existed except for those people who are police, fire, medical, who would be getting training from this agency and recommendations. No one would even know it existed because it has no interface with the community until something happens.

Now, when something happens I would say to you, quite frankly, that if it was bad enough I suppose there could be some period of time where the Governor, the mayor, or the President might decide that they would have to suspend things—for instance, if a nuclear weapon went off in a major American city. But we're not talking about any deprivation of civil liberty in normal circumstances.

In almost all circumstances, including hurricanes and floods in this country, including in your own State, there have been occasions where the National Guard had to be called out to keep order and to suspend certain liberties until the situation could be simmered down to protect law-abiding citizens, and that is not part of our recommendation, that's just what happens.

Mr. KUCINICH. I think, Senator, it would be enlightening for this committee to be able to have some kind of proceedings of those debates that took place within your Commission over the issues and concerns about civil liberties.

Senator RUDMAN. We would be happy to respond.

Mr. KUCINICH. I mean, I would be happy to take the Senator's word for it, but we could also perhaps learn on this committee about some of the concerns that were expressed, because I think that an appropriate forum would be this committee and the Congress to have a wide and open discussion with which perhaps our constituents could be involved in what the implications would be

for the democracy of having such a structure in place, particularly since it would be, by your statement, invisible.

Senator RUDMAN. Well, I would hope it would be, as FEMA is invisible to most of the residents of all of our States until something bad happens. When something bad happens they suddenly realize that something called "FEMA" they have heard of. And I must say I think that under former Director Witt they did a first-rate job.

Mr. KUCINICH. I think you would concur, though, that the broad scope of this homeland—the Homeland Security Act goes far beyond anything that encompasses the purpose of FEMA.

Senator RUDMAN. Absolutely. It expands it, it gives coordination to it. It is heavy on prevention. It is heavy on intelligence gathering abroad, obviously, and to some extent domestically by the FBI. But all the people that do what they are supposed to do would continue to do the same thing, but there would be a lot more coordination and planning. Right now there have been a number of exercises around the country conducted by various organizations directing it toward a mass destruction weapon being imposed on a State or a city, but hardly enough.

Mr. KUCINICH. Senator, thank you.

Senator RUDMAN. We will get to you, Congressman——

Mr. KUCINICH. What do you mean by that?

Senator RUDMAN [continuing]. A summary—[laughter.]

Senator RUDMAN. We will get—well, if you'd like to put an exclamation point after the first six words, that is your privilege. We will get to you, Congressman, a position paper that will summarize the debate and how we concluded what we concluded on the very issue of civil liberties that you are rightfully concerned about.

Mr. KUCINICH. I appreciate that, Senator.

Senator RUDMAN. We'll get that.

Mr. KUCINICH. I certainly also appreciate your service to this country, as well as General Boyd's.

General Boyd stated several times about this concept of managing resentment. Would you like to elaborate on that, General.

I guess we're out of time right now. I'm sorry.

Thank you, Mr. Chairman.

Mr. SHAYS. Mr. Gilman, it is a privilege to have you here, and thank you for your patience.

Mr. GILMAN. Thank you, Mr. Chairman.

I want to welcome Senator Rudman and General Boyd.

I commend you, too, Mr. Chairman, for focusing your attention on this very critical problem, and I want to comment Senator Rudman and General Boyd for the report that they've issued focusing our country's attention on what has to be done. Apparently, there is no central entity at the moment and the fragmentation is abundant throughout the Government and nobody is truly prepared to take the preparations for avoiding terrorism in the first place and then have it properly addressed.

In our International Relations Committee we focused a great deal of attention on the usual targets—our embassies abroad. You know, I was present when Admiral Lindman came before us many years ago. You were there, Senator Rudman.

Senator RUDMAN. I served on that commission, Chairman Gilman.

Mr. GILMAN. And there you are. And he tried to focus attention on what we should be doing, and we reacted very belatedly, and still have yet to prepare the proper security of those posts abroad. Then Admiral Crowe, Ambassador Crowe, came forward reiterating it.

Last year we tried to put some real money into the budget to try to move back the Embassy posts abroad—move them back from streets, move them back from danger areas. They say that every 10 feet means another floor you could save in the long run. Yet, we have been very reluctant to do these kind of things.

So I hope that your Commission will continue to remind our Nation of what we should be doing to protect those agencies that we have abroad, and particularly our Embassies, which are a target that have often been addressed.

I note that in your report you talk in part of prevention, as well as prosecution. We need better human intelligence, and that seems to have been a big problem over the years.

CIA had a restriction on who they recruit for these kind of activities, and I hope that will be changed in the future so that we can have proper intelligence. That's three-quarters of the battle, if we have some advance information about what's happening in these terrorist organizations. And we have to find a way to breach those organizations to become involved with them.

And then, too, you talk about the better coordination and that we have no coordination at the moment. It is a band-aid approach, a reaction approach, as we've had in so many other disasters, and I think that having your Home Security Agency is a sound method of bringing people together.

Let me ask you what has been the attitude of the administration, the present administration, with regard to your proposal?

Senator RUDMAN. Well, you know, they are in their first 100 days and they've got a lot of things to do. Of course, there are five or six major chapters of this report with recommendations for DOD. We've had a major meeting with Secretary Rumsfeld, who has asked us on that aspect of it to work with them. They liked a number of our recommendations.

For your personal interest, we had an excellent meeting with Secretary Powell, and, as a matter of fact, we were asked by the House Budget Committee to testify following General Powell 2 weeks ago on the State Department, which I think you would find that part of our report—knowing some of your public statements, I think you'd agree with virtually all of it. General Powell likes a good deal in that report, and they're moving toward it.

As far as the President and the National Security Council, it is kind of interesting that our recommendation on the NSC—and I'm sure it's not because we've said it, but, coincidentally, they have embodied our recommendation to make the NSC more of a coordinator and certainly not operational or a second State Department within the White House, which has been, I know, a concern of many people for a long time.

So I would say the administration has responded well. We haven't got a specific response to this, but I know they're looking at it.

Mr. GILMAN. Is there specific legislation that you've proposed for the National Homeland Security Agency?

Senator RUDMAN. We have 50 recommendations, and from those recommendations we thought the Congress ought to draft the legislation. We thought it would be presumptuous of us to draw a bill, as a Presidential commission.

Mr. GILMAN. And has anyone undertaken that, Senator, to incorporate——

Senator RUDMAN. Mac Thornberry and Ike Skelton. Thornberry's bill tracks our recommendations very closely on homeland security, and Mr. Skelton also embodies much of it, but it is a bit different.

As I said before you arrived here, Chairman Gilman, we are not saying that this is the only way to do it, but we are saying, "Here is the problem. There's got to be a way. Here is our suggestion," and let the Congress work its will and do something to improve the current situation.

Congressman Kucinich was talking about money, a very important subject. We are not talking about particularly expanding money, but when you look at these signs up here, the future speakers from all the departments they come from—I don't know if they are on both sides. I don't know whether you can see them from your side or not, but there are about 40 or 42 of them. They spend a huge amount of money right now. We say it can be spent a lot better.

Mr. GILMAN. Let me ask you what's the response by the Intelligence Agency? Have you discussed this with Mr. Tevin?

Senator RUDMAN. Absolutely, because I've had an ongoing relationship, because I still chair the President's Foreign Intelligence Advisory Board. They are very aware, as is the FBI.

I might say—and I can't get into detail in this kind of a session, but I think that the intelligence community and the FBI has been doing a first-rate job on prevention—not enough, not good enough—very hard, though, to figure out what some guy in a tent in Afghanistan is thinking about doing to somebody who is living in New York unless you really have human intelligence, terrific signals intelligence, and all of these things.

But I must say that it is a high priority of both the agency and the Bureau.

Mr. GILMAN. I'm pleased the Federal Bureau is now planning to create a police academy training unit in UAE, just as they've done successfully in Budapest, in South Africa. I think these can be extremely helpful.

Senator RUDMAN. Our liaison relationships with these countries is probably the most valuable thing that we have in terms of understanding terrorism that has its origins overseas.

Mr. GILMAN. Well, thank you, Senator Rudman and General Boyd for being here today.

Thank you, Mr. Chairman.

Mr. SHAYS. Thank you, Mr. Chairman.

Mr. Lewis.

Mr. LEWIS OF KENTUCKY. Thank you, Mr. Chairman.

Senator Rudman and General Boyd, how did the Commission deal with the question of preparing for so-called "low-probability,

high-consequence" threats like mass casualties for biological weapons, chemical weapons?

Senator RUDMAN. Under our proposal in the response section of that we believe that the model should be what has already been done in exercises carried out by DOD with local Guard units in local cities and counties and States in which you have scenario planning based on if this were to happen, which you refer to as low-probability but high-damage, high-impact events, that the medical services, the police services, the municipal services, the Office of the Mayor, the Governor, that everybody understands what you try to do, knowing that communications will be disrupted, key people will be disabled, but you put together a plan, and that is one of the major roles in the response side of the new agency.

However, in order to be able to do that you need the prevention and the training, and you have to do it across a broad spectrum of these agencies, which is, unfortunately, done but rarely.

Do you want to add to that, Chuck?

General BOYD. I think the essence of—there are two things that I'd like to come back to, because I think they are absolutely critical. One is the notion of a national strategy. If this is not integrated in a national strategy, if it is a separate entity—an entity that is dealt with independently—it doesn't work the whole issue.

And the second thing is, we need somebody in charge. There's an old saying that nothing concentrates the mind like the prospect of hanging. As a military guy, a lifetime military guy, I can tell you nothing concentrates your sense of responsibility like taking command, being placed in command—somebody who is put in charge with authority, responsibility, accountability, and some capability to do his mission, and that's what we really call for—putting somebody in command at a sufficient level that he or she can deal with other counterparts in the executive branch on an equal footing.

Senator RUDMAN. I would add one thing. The problem with the czar approach is that you've got all of these agencies that have very powerful heads, and now you've got somebody who is supposed to direct them. Well, they have no budget authority and no command authority, and that's why most of them had failed.

General BOYD. If you do that and someone defines then someone to define the requirements, to refine the training, to be held accountable here in Congress, to come and report what they're doing or what they're not doing, I think that all of these loose ends that don't now get coordinated will be coordinated.

With respect to the issue of civil liberties, let me just go back to that for a moment. I think Congressman Thornberry's proposed legislation calls for an IG function on this, to deal with this issue, and with reports back to the Congress on how we are doing with civil liberty. These are mechanisms that almost ensure that responsible person has to address such things as civil liberties or such things as medical preparedness. All of these things he or she will be accountable for.

I think there is no other mechanism that I know of, other than putting somebody in charge and holding them accountable, to ensure success.

Mr. LEWIS OF KENTUCKY. Is there any preparation at all being done at the local, State level today, or——

General BOYD. Some.

Mr. LEWIS OF KENTUCKY. Some?

General BOYD. There has been some, but it has been sporadic, fragmented. But people certainly are trying, and these agencies are trying. Nothing that we say here this morning should be indicated as being critical of them. We are not.

General BOYD. There is an important issue, an article in, I believe, the most issue of the National Journal, entitled, "Beyond the Blue Canaries," which deals with—and the Blue Canaries are the policemen. They are the first one in the chemical environment that are—you're going to find that know that there's a chemical attack going on. The allusion is to the canaries in the mine shafts of old.

In that article, there is a description of the varying capabilities throughout the country, and it is a mixed bag. There are some communities in some States that are doing better than others with respect to this kind of preparation.

What we are suggesting is that, with a central focus in a National Homeland Security Agency of this kind, with setting some standards and setting some priorities and a coherent avenue of resource provision to the States and assistance, that unevenness can even out across the Nation.

Mr. LEWIS OF KENTUCKY. Thank you.

Mr. SHAYS. Thank you, Mr. Lewis.

One of the challenges I think we have, Senator—"we," you and this committee—is what do you say that you know to be the truth without frightening the hell out of people. But the fact is that we've had the Secretary of Defense say what needed to be said—it is not a matter of if there will be an attack, it's a matter of when. I really believe that. And that attack can be chemical, it can be biological, or it could be nuclear. So we know that to be the case, or believe it to be the case.

In your report—I reacted a little differently than my colleague, the ranking member, and I loved the synergy of the tough questions that were asked of you, but I basically read it from the standpoint of if we don't do something you will end up taking away more of American's privileges.

When Abraham Lincoln had to basically sneak his way into D.C. because he didn't know who was friend or foe—was Maryland going to be on what side, or was Virginia going to be on what side, who was friend, who was foe—and there were tremendous suspensions to our liberties. That's not something we, as Americans, want to see happen, but they had to happen. But they happened because of the disaster.

It's interesting. If we could have prepared for it differently, would we have been able to not have seen those suspensions take place of our civil liberties.

What I'd love to know to start with is: where do you draw the line of telling people what you believe to be the truth without overdramatizing what you think may happen.

Senator RUDMAN. Well, that's probably the toughest question of all, and I will answer it the best I can, because I have been asked to speak about this report at various places around the country, and I have, and I have to be careful because you don't want, you

know, people running out of the auditorium, Congressman Shays, for the bomb shelters.

Essentially I say this: that the U.S. Government spends a great deal of money every year planning for a series of eventualities of foreign threats to our national security. Anyone who serves on the International Relations Committee or what we call in the Senate the Armed Services Committee or the Intelligence Committee is well aware in detail of all of the plans that we have for a whole line of contingencies that could happen in the Middle East, Asia, Taiwan. The military has catalogs of these, and that was one of Chuck Boyd's assignments many years ago in that planning function with the Joint Chiefs.

The one thing we haven't done, I tell people, is to do the same kind of scenario planning for our own defense.

In a fairly mild way, I try to tell people there are a lot of folks out there who don't like us. The people in Oklahoma City happened to be Americans, but they didn't like us or themselves, evidently. But we have what happened in New York, which could have been a terrible disaster, even more so than it was, with the Twin Towers in New York if other types of weapons had been used. We've had other threats coming across our border, as you'll recall the first of the year a year ago up in the Pacific northwest.

All of these people have a desire to inflict punishment on us as citizens, and all we're asking, I tell people, is that we put the same level of planning behind that threat as we do to a threat that might happen in southeast Asia or in the Middle East or who knows where. And I think that is probably the best way to explain it to people. People understand that.

And, by the way, Congressman Shays, Mr. Chairman, people do understand this threat. People have thought about it.

Mr. SHAYS. I make the assumption—yes, General Boyd?

General BOYD. Could I just add one thing, sir? One of the things that we've said in relation to dealing with resentment—but I think it applies really to your question, too—is tone matters. The President is the one, above all others, who must articulate what the threat is to the United States with respect to the homeland, but the tone that he uses is going to be critical.

You can panic the people or you can be honest with them and forthright with them and, at the same time, be calm and dispassionate about the nature of it, and a call for taking those prudent kind of consolidating moves that we are calling for.

This is not—we don't call for a huge new expenditure of funds. We call for a rationalization of capabilities we already have. We don't create new agencies. We don't create any new big bureaucracies. We simply rearrange the furniture in such a way that it has coherency and makes sense. It is FEMA on steroids.

Mr. SHAYS. I want to ask both of you this question: do you think that—I want to ask it very bluntly—do you believe that this country will face a terrorist attack?

Senator RUDMAN. Frankly, I think that it would be miraculous if in the next 10 years it didn't happen.

Mr. SHAYS. All right, sir. General Boyd.

General BOYD. I believe that it is a very high threat.

Mr. SHAYS. All right.

General BOYD. Yes, sir, I believe that.

Mr. SHAYS. Now, I found myself embarrassed that I laughed at your comment, because I've tried to find a way to express it, and that was—when you were talking about missile defense, which I think we need to move forward on for all the reasons that have been documented on a system that works, but I fear more the possibility of a terrorist threat from nuclear weapon put in a shipment that is in this United States.

And, by the way, they are usually opened within 2 months, but if this is a shipment that someone is looking to protect and send a particular place, they may find a way to have it not opened for years. It is just stockpiled, ready to use when someone wants to use it and detonate it, and it could be a nuclear device.

But I found myself laughing and being uncomfortable when you made the comment "something without a return address." That's really the reason I fear it.

Senator RUDMAN. Well, that's right.

Mr. SHAYS. Yes.

Senator RUDMAN. That is exactly right, and if you will take the time to read this article, which is fairly short, it is a wonderful article, wonderfully researched by a brilliant young Coast Guard commander who writes about this very threat. And there are a lot of ways to do it. Libya could have a ship come to the 10-mile limit and then just cruise into New York Harbor. I mean, there are all sorts of things that can happen, and that is why intelligence, as somebody in the panel talked about earlier, is so vital to know what's going on and to be able to trace it. But, you know, unfortunately, Mr. Chairman, you know, in this business almost perfect isn't good enough.

Mr. SHAYS. This gets me to this issue of why—so one reason is that it doesn't have a return address. Another is that certain countries may not have the capability to respond except by a terrorist attack.

Senator RUDMAN. Correct.

Mr. SHAYS. And in the process of our doing work both at home and abroad on this issue—and it is our key concern of this committee, the terrorist threat—in meeting with the general in France who is in charge of their chemical, nuclear, and biological response, he said, "You Americans don't seem to understand—" in so many words he said this—"that you are such a world power that the only way a force can get to you is through a terrorism attack." And he used the word "resentment." He said, "You are resented throughout the world, and this is the way they're going to get you."

So now it does raise another question, maybe a little beyond what you've recommended, but I'd like to know your response. It does seem to suggest that, as important as our Defense Department is, that our State Department is extraordinarily important and may be helping us minimize the resentment and then isolating it to certain areas.

I'm interested to know, did you get into this? How do you manage——

Senator RUDMAN. We sure did.

Mr. SHAYS [continuing]. The resentment?

Senator RUDMAN. If you will read whatever chapter it is in the report on the State Department, we make that very point. I referred to it in my comments here this morning about the statement. There are two things the State Department does which people don't always appreciate outside of Government. I'm sure you do here. No. 1, of course, in terms of advising the President on American foreign policy and its result in a variety of ways, including resentment it may cause; but, two, and equally important in my view, is that the State Department has a very important intelligence role to play. Intelligence is not gathered necessarily with people wearing long rain coats and dark fedoras meeting on street corners in Budapest. It is quite often collected by Ambassadors, charges, other people from the mission meeting counterparts from various countries at a lot of events who hear things, and when you put them all into a matrix they suddenly tell a story.

The State Department's INR unit has done very good work in the intelligence area, and that's one of the reasons we recommend that there be reorganization as well as more funding for the department.

Mr. SHAYS. That would raise the question—and then I'm going to call on Mr. Kucinich—but that would raise the question that we are potentially put at a disadvantage when we don't have relations with, say, Iran, or even with Iraq, frankly. We don't have people there. We begin to lose the language, we begin to lose contacts. It does make that kind of suggestion.

Obviously, there's value in having people in all parts of the world.

Senator RUDMAN. There is no question that is a judgment that Presidents have to make. If you don't have people in a particular country, the amount of intelligence you gather in a variety of ways falls off very sharply.

Mr. SHAYS. I'd like to come back for a second round, but, Mr. Kucinich, you have the floor.

Mr. KUCINICH. Thank you very much, Mr. Chairman, Senator Rudman, and General Boyd.

As I'm listening to this discussion here, it really appears that the discussion of a Homeland Security Act is not only about our homeland, but it is really about America's mission in the world, as well, about how we see ourselves as a Nation and how we conduct our foreign policy.

I would hope that any discussions that take place about a Homeland Security Act would be within the context of those essential pillars of principle.

For example, this discussion, whether we like it or not, is undeniably drenched in fear.

Senator RUDMAN. Is what?

Mr. KUCINICH. Undeniably drenched in fear. I remember a President who once told the American people, "We have nothing to fear but fear, itself." I also know that we have some steps, positive and constructive steps, apart from a Homeland Security Act which could be taken to lessen tensions in the world. As a matter of fact, the Congress has spent many years working on such steps long before I got here, and they include—and I know the Senator has probably been involved in many of these—a nonproliferation treaty,

an anti-ballistic missile treaty, a comprehensive test ban treaty, STAR-II, STAR-III, and the entire panoply of arms control initiatives which have, at their kernel, a belief that people can back away from the abyss, can learn to cooperate, and can learn to live together.

At this very moment there are proposals to build down the Russian nuclear stockpile. Russia has asked for help in getting rid of fissionable material. Russia has asked for help in doing something about their nuclear scientists who are out of work. Russia has asked for help in disposing of 40,000 tons of chemical weapons, all of which represent a challenge for the security not only of their Nation but for potential security problems abroad.

The chairman pointed out in his discussion perhaps an opportune moment exists to review our policies with Iraq, Iran. The administration recently announced its intention to move forward with the sale of missiles to Taiwan, which puts us in a particularly difficult position with China.

I think that when we talk about homeland security, which encompasses a fortress America or national security state, it is helpful to broaden our vision and to say, "What is our role in the world that we are creating circumstances that could cause resentment?" Because I think that if we do not inspect cause and effect, we're missing out on an opportunity to go beyond the analytical framework which you have spent a good deal of time working on, and I think we are all grateful for your doing that because it helps us focus on exactly where are we at at this moment with respect to our condition of a Nation which is said to be the object of resentment in the world.

I think another question that might be asked that would be appropriate is: if we are so resented as a Nation, as the testimony has said, then are there other steps that America could take other than becoming a fortress that would help to lessen its vulnerability and this portrait of vulnerability which is being drawn here.

General Boyd.

Senator RUDMAN. Well, let me see if I can address two or three of the things in that question.

First, it was not our mission——

Mr. SHAYS. General, may I ask you a question? You are a four-star? They told me Congressmen have four stars, so what do you do when both are four stars?

General BOYD. He has got five.

Mr. SHAYS. OK. [Laughter.]

Mr. KUCINICH. I directed the question to General Boyd, though. If I have five stars, then I want General Boyd——

Senator RUDMAN. Oh, I didn't know you directed it to General Boyd. You go right ahead and answer it, General Boyd, and I'll comment after you answer.

Mr. KUCINICH. Thank you.

General BOYD. A couple of points maybe I think that might be useful.

First of all, I think it is really important to recognize we've never suggested for a moment that we ought to develop a fortress America or a national security state. What we have suggested is that we

rearrange some of the capabilities we have in a coherent way to address a problem that seems not to be well addressed.

But I think the Commission goes in exactly the direction that you are suggesting, with respect to the first order of dealing with this problem, to deal with it in a diplomatic way.

You'll notice on page 12, right at the top, under the first pillar of a national security strategy, prevention, we say that, most broadly, the first instrument is U.S. diplomacy. We go into addressing grievances in the world on the diplomatic front, to begin with.

Protecting us at home is a global mission, and all of the elements that you've talked about in preventing the proliferations of weapons of mass destruction, arms control measures, diplomatic measures, conflict prevention, etc., all are elements of a strategy that would deal with homeland security at the end of the day.

I think we are in complete agreement with what you are saying, and I think it is all right here in our text.

Senator RUDMAN. I want to——

Mr. KUCINICH. Yes, Senator, please, if I may add, we are in complete agreement that a structure exists currently apart from this proposal. I agree with you on that.

Senator.

Senator RUDMAN. You have to understand our charter from the Congress. Our charter from the Congress was, "Take a look at U.S. national security in its broadest sense in the 21st century. Don't recommend, you know, new foreign policy for us. Don't tell us what weapon systems we ought to buy. But give us a broad brush of some of the things you think are wrong and how to correct them.

Now, I want to just make one point, Congressman, because I think it is a very important point. And you're right, I was involved in all of these things that you spoke about—the SALT treaties, the ABM treaties, the anti-proliferation treaties, and many more. But those were all dealing essentially with the Soviet Union. We were concerned about conventional warfare. We had a policy for years which I never like the name of, but I guess it worked—we're all here. It was called "mutual assured destruction," and it went on the basis that the Soviets weren't about to launch at us because they knew the result would be a launch at them. We'd all be gone, but that wouldn't be very good unless you're dealing with madmen.

So all of these are directed at what we assume would be rational governments that were identifiable. What we're talking about are irrational governments and individuals and organizations that cannot be identified. That's where terrorism comes from, unless you can pin it to a particular country like Libya and a particular incident.

So I agree with General Boyd's response to your comments. I agree with those. But I want to point out that all of these treaties are good in terms of preventing the American people from having inflicted upon them conventional nuclear or chemical warfare. They are not good for a wit, to use an old New Hampshire term, when it comes to dealing with the Osama Ben Ladens of this world. He doesn't care about the bomb proliferation treaty. If he could buy some Ukrainian-enriched uranium and get a Russian scientist to bolt it all together, believe me, he would do it.

Mr. KUCINICH. I also remember a New Hampshire term, I think it is "Live Free or Die."

Senator RUDMAN. That's correct.

Mr. KUCINICH. And I just wonder if, in making this transition from a world of mutually assured destruction, which we've——

Senator RUDMAN. It's still there.

Mr. KUCINICH [continuing]. Had a whole system of arms agreements to back us away from that nuclear abyss, that we don't get to a condition where we effectively chip away at basic civil liberties and go from MAD to SAD, self-assured destruction.

Senator RUDMAN. Right.

Mr. KUCINICH. And so, I mean, that, again, I know, Senator, coming from New Hampshire—and it is good that you are on that committee, because I know that's something you are sensitive to. I'm from Ohio and I'm just as sensitive to it.

I have a question which kind of fits this into a budget framework, and perhaps Senator could help me with this. Would the director of the new Homeland Security Agency have budgetary authority over other agencies? In other words, could the director tell Secretary Powell or Secretary Rumsfeld to change their budget priorities?

Senator RUDMAN. Absolutely not.

Mr. KUCINICH. Well, the——

Senator RUDMAN. The only place where that exists now in any way is between the CIA and the Defense Department. That is more advisory than mandatory.

Mr. KUCINICH. Right. Well——

Senator RUDMAN. That would not work.

Mr. KUCINICH. That's what I assumed. So the next question is: if that's the case, what else remains here but a domestic national security apparatus?

Senator RUDMAN. Well, that's exactly what exists; however, the job of the President and the national security advisor is to coordinate these agencies, both domestic and overseas.

All of these little blocks out here on this table have some little piece of this. Now, obviously, we're not talking about dissolving any of these agencies—the FBI, the CIA, FEMA, Justice, State. What we are saying is that those that have roles like Justice and State will keep them, but all these other agencies that only have a piece of the action will be in a central unit that will be run by a civilian director who will have to coordinate, obviously, with the CIA, the DOD, the State Department, but will be a far easier job of coordination because it will be down from 45 to probably around 5.

Mr. KUCINICH. I just want to add this, Senator. I know we are moving on. Again, I want to thank Senator Rudman and General Boyd for appearing today. This is an important subject and it requires extensive discussion and questions, and I appreciate your participation in this.

One final note. As somebody who has served as a local official—as a councilman and as a mayor of a city—I have a lot of confidence that perhaps there might be a way of strengthening security through using local authorities. I think our local police are well trained and they have the ability to respond to crises that come up, and I think, in democratic theory, the idea of municipal police orga-

nizations may, in the long run, be able to sustain any concerns about threats to civil liberties. I want to make sure we aren't in a situation where we are being told that we're gaining our liberties by parting with some of them.

Thank you, Mr. Chairman.

Senator RUDMAN. Mr. Chairman, could I just say one brief thing to the Congressman?

Mr. SHAYS. Sure.

Senator RUDMAN. You know, your concerns are properly held. We have spent a lot of time on them, and one of the things we recommend is one of the things that isn't happening that will happen is the using of local resources, but they can't be used if they are not trained and coordinated and equipped. In many cases they don't have the funding—as a mayor you would know—for the kind of equipment they need.

And let me point out that one of our recommendations that has been vastly misunderstood is we talk about forward deployment of U.S. forces. The U.S. National Guard is forward deployed in this country, and, in the event of the kind of a holocaust we're talking about, they are the best people to aid local authorities in their States, as they do now. Some of them have thought that we were recommending—who didn't read the report—that be their primary mission. We say it should be a secondary mission. Their primary mission is the one to support the regular forces in time of national emergency, particularly in times of war.

Mr. SHAYS. Thank you, Senator.

You have the floor for 10 minutes.

Mr. GILMAN. Thank you, Mr. Chairman.

Just one brief question of Senator Rudman and General Boyd. The Conference Committee report of 1998 in the Appropriations Act for the Departments of Commerce, Justice, State, Judiciary, and related agency required the Department of Justice to issue a report, a 5-year plan that was mandated at that time by the Congress, how to deal with terrorism.

Congress intended the plan to serve as a baseline for the coordination of a national strategy and operational capabilities to combat terrorism.

Now, did you examine that report, either Senator Rudman or General Boyd?

Senator RUDMAN. Well, we looked at a lot of reports. I'm not sure that one has been published yet. That was authorized in, what, 1998?

Mr. GILMAN. It was authorized in 1998, and in December 1998 the Department issued the Attorney General's 5-year plan.

Senator RUDMAN. We've seen that, but I think there's something else that was supposed to be produced, as well, and I'm not sure that—I'm confused about that. I have seen that.

Mr. GILMAN. It is a classified plan.

Senator RUDMAN. I have seen that.

Mr. GILMAN. And what are your thoughts about that?

Senator RUDMAN. It takes a narrow—it takes the approach you would expect them to approach, considering who they are, Justice. It is their counter-intelligence plan and it is their view of coordination of local agencies.

I did not see that here. I saw that in another hat that I wear. I'm well aware of it. But it does not have the breadth of the report that we have submitted. It wasn't supposed to.

Mr. GILMAN. Thank you very much. And thank you, Mr. Chairman.

Mr. SHAYS. I thank you, Mr. Chairman.

We made reference to a particular article by Sydney Freedberg, Jr., entitled, "Beyond the Blue Canaries." I'm going to put it on the record, without objection, and I'm just going to read the first paragraph and a half.

[The information referred to follows:]

National Journal
March 10, 2001

Beyond The Blue Canaries

The federal government has spent the past five years in a race to help local governments prepare for a chemical attack by terrorists. The initial sprint was good; the middle distance is proving to be harder.

By Sydney J. Freedberg Jr

When you walk into clouds of poisonous gas for a living, it helps to have a sense of humor—even a morbid one. That's why fire department hazardous-materials specialists often call their police colleagues "blue canaries." It's a reference to the songbirds that old-time miners took with them underground as living—or dying—indicators of bad air in the shafts. The joke goes like this: "There's a policeman down there, he doesn't look like he's doing too well, I guess that's not a safe area," explained John Eversole, chief of special functions for the Chicago Fire Department.

In their oxygen masks and all-enclosing plastic suits, "hazmat" specialists such as Eversole can approach industrial spills with confidence—and they do, dozens of times a day, all across the country. Fortunately, so far, they have not had to don those suits in response to some terrorist group that has doused an American city, subway, or airport with lethal chemical weapons. But the John Eversoles in cities and counties around the country are getting ready for just such an eventuality. And, unfortunately, they have one large-scale, real-world example to learn from: the Aum Shinrikyo cult's 1995 release of sarin nerve gas in the Tokyo subway system. Although a crude attack, it nevertheless killed a dozen people, injured scores more, and panicked thousands.

No group has attempted a similar feat, and governments want to keep it that way. But toxic chemicals, and the know-how and skills to brew them, permeate industrialized societies in a way that the prerequisites for biological or nuclear weapons do not. So, although potentially less deadly than an artificial plague or atom bomb, chemical terrorism is also far more likely. And, despite all the Hollywood movies portraying secret government teams in moonsuits and black helicopters arriving at a disaster scene within minutes, in truth, federal forces may not arrive until 10 hours after an attack, as occurred in the 1995 Oklahoma City bombing. Not because they are incompetent, Chief Eversole said, but because "they are just too far away."

So, federal officials have increasingly turned their attention to preparing their state and local colleagues for the first critical hours that follow a terrorist attack. But in the event of such an unprecedented disaster, what would the police, fire fighters, and medics really need? What are they actually getting from the feds? In interviews with emergency responders from a dozen cities, small and large, plus many more with Washington officials and experts, National Journal found some surprisingly hopeful signs about the nation's readiness for a terrorist attack with toxic chemicals, and some causes for worry.

Among the hopeful signs are a new awareness among cities and towns across America that they have to do more to get ready, and a growing ability by localities to use federal money to buy new communications equipment and emergency gear. Also helpful is that America is fortunate to have well-trained fire departments with extensive experience in handling hazardous materials—and chemical weapons are just more-intense hazardous substances. On the downside, the array of federal programs is confusing and often arbitrary, and this has lent a disjointedness to antiterrorism efforts. Further, the

country's medical community seems to be playing catch-up in its preparations to effectively handle mass casualties.

Prepared or not, one thing is clear: It will be the local blue canaries who catch the earliest whiffs of chemical terror, and who become the first professionals to put their lives on the line. "As a citizen, you are not going to pick up the phone and call the federal government and say, 'Hey, President Bush,' " Eversole said. "You're going to pick up the phone and dial 911."

911

After terrorists attack, the first line of defense is the telephone line. Emergency dispatchers get little attention or respect, but their ability to realize just why the phones are ringing off the hook can save crucial minutes, and many lives. In the Tokyo attack, it took more than an hour of emergency calls from 15 different subway stations before authorities understood there was a single cause, not just a spate of awful coincidences. By then, so many police, paramedics, and firefighters had rushed in without proper protection that a tenth of the rescuers became sick themselves.

But in America today, extensive training efforts—some funded federally, others locally - have inculcated in many cities at least a basic awareness of what could happen. The Boston subway, for example, is experimenting with high-tech toxin detectors created by the federal Energy Department. But the best defense is still common sense: "If you get a call for five or six or eight people down on a platform having difficulty breathing, that's a clue right there," said Detective Peter Pasciucco of the Massachusetts Bay Transportation Authority. "[You] shouldn't rush in.... You can't help anybody if you're lying there next to them."

Spreading such awareness was one achievement of the otherwise controversial Domestic Preparedness Program -- also called Nunn-Lugar-Domenici, after the Senate authors of the 1996 act—that ordered the Pentagon to train the nation's 120 largest cities to protect themselves against chemical, nuclear, and biological terrorism.

Indeed, it seems the program and its many imitators were almost too successful in training cities and counties. "We had so many agencies offering to train us," said JoAnne Moreau, director of emergency preparedness in East Baton Rouge Parish, La., "[that] our responders could have been trained to death." A National Domestic Preparedness Office, subsequently founded by the executive branch in 1998, was supposed to coordinate federal agencies in their efforts to train local governments, but the office was hamstrung by infighting and has only recently received full funding. In the meantime, multiple bureaucracies alternately compete, and cooperate, to offer training courses. Primary among these are the Justice Department—which took over the Domestic Preparedness Program from the Pentagon last fall—and the Federal Emergency Management Agency, which has long-standing links to local firefighters and disaster planners, but has less money to give out than Justice. Even federal officials agree that better coordination would help. There needs to be "one agency that serves as the single point of coordination," said Bruce Baughman, FEMA's director of response and recovery operations and planning. "We think that's us. Naturally, if you go over to Justice, they think it's them."

Although this duplication and lack of coordination can confuse and frustrate local officials, the federal money—some $315 million in fiscal year 2000—at least allows cities smaller than the 120 to piece together their own training programs from the various offerings. Take, as an example, Evansville, Ind., population about 120,000. With the help of the state government and FEMA's prestigious National Fire Academy, "All of our firefighters have been trained ... to always have their eyes and ears open" for chemical attack, Evansville Fire Chief John Buckman said, "[especially] when they're investigating what

could be considered a nuisance-type call for irregular smells or irregular sounds."

But awareness alone can go only so far. Police officers are called the blue canaries because they usually lack protective gear, but the same could be said of paramedics. And the average firefighter has at best an oxygen mask and a heavy-duty slicker. A $78 million Justice Department grant program is now helping localities buy better gear. The most-prepared agencies, such as the one that runs the Washington subway system, have already supplied their personnel with basic "quick masks"—so called because of both how quickly they can be put on in an emergency and how quickly they stop protecting you. "It's not to be used more than 15 minutes," said Capt. Geoffrey C. Hunter, counterterrorism planner for the Washington Metropolitan Area Transit Authority. "The only thing we use a quick mask for is to get out."

That's perhaps the hardest thing for first responders to accept when training for a terrorist attack—they have to resist their first instincts to run to the rescue. "We've trained since the day we've become police officers to rush in," Hunter said. "In a chemical weapons release, if we're not equipped to go in there, we can't stabilize the situation, and someone will then have to go in and rescue us."

Most experts agree that until the hazardous-materials specialists arrive, ordinary police, paramedics, and even firefighters should stand back, upwind and uphill of the spreading poison, and use loudspeakers or public address systems to direct victims to safety. "Sometimes," lamented Hunter, "it may appear that they're heartless." But, for all concerned, not rushing in is the right thing to do. Detective Pasciucco, from Boston, agreed: "It's a terrible thing to say, but people are going to die. You can't save everybody."

Hazmat

Next to arrive after the ordinary police, firefighters, and paramedics will be the people in moonsuits. But this second wave still won't be federal: They'll be the local "hazmat" team, the hazardous-materials specialists. "The primary thing is to get the people who have the specialized expertise there," said Richard Sheirer, director of New York City's much-admired Office of Emergency Management. In New York, said Sheirer, "We can usually do that within five minutes."

That's the best case. In an isolated rural area —or during an urban rush hour—it may take much longer. But compared with the exotica of combating biological or nuclear terrorism, "we are in fairly good shape on the chemical side," said former FBI counterterrorism chief Robert Blitzer, "because most major metropolitan areas, and even the less-than-major areas, have hazardous-materials capabilities that are very, very good and can be called on quickly."

America's hazmat teams are so good because they get so much practice. "During peak times, we average about 150 calls a day [nationwide], all the way from a pint paint can to a major incident," said Carl Reynolds, director of the chemical industry's Chemical Transportation Emergency Center, a clearinghouse that local hazmat teams call on for advice. In a modern industrial state, many substances resemble the kinds of chemical weapons terrorists might use. Phosgene, today used by dye factories and in food processing, was originally developed as a chemical weapon; chlorine, the first gas ever used in war, now sanitizes reservoirs and swimming pools; and common pesticides mimic some nerve gases. Local hazmat teams have experience with most of these.

What civilian hazmat specialists most desire from the feds is hands-on experience with the military-specific chemicals they might encounter during a terrorist attack. "That kind of training is irreplaceable, and the only ones that can do that are the federal government," said Chicago's Chief Eversole. He and other locals especially laud the courses at the Justice Department's Center for Domestic Preparedness in Anniston, Ala., a former Army facility that houses the country's only sealed

chamber for training exercises with real military-grade gases. "You actually go down there and you learn something, vs. sitting in a class where you've heard the same thing a hundred times," said Jennifer Harper, counterterrorism coordinator for New Hampshire's state Office of Emergency Management.

But most local fire departments cannot supply their Anniston graduates with the specialized equipment needed to detect and analyze military-grade chemicals. So, after a terrorist attack, while precious minutes passed, a sample—itself highly toxic—would have to be sent for analysis to a full-scale chemical lab. Sheirer, in Manhattan, actually has such a facility nearby. But most cities are not New York.

"How long would it take us to get that outside kind of help?" said an emergency official from a small, isolated city (unnamed for obvious reasons). "It would probably be eight hours before we can have any kind of identification of what this unknown material is."

But what if labs came to the locals? That is the basic idea behind the National Guard's Weapons of Mass Destruction Civil Support Teams, a program that formerly sported the catchy acronym RAID. These 22-person units are specially trained to deploy by air or road with sophisticated analytical equipment for meeting a chemical, biological, or nuclear attack. An enthusiastic Congress has expanded the original 10-team pilot program introduced in 1998 to 27, and then to 32, teams nationwide. But not one team is yet certified as ready for a real emergency, and criticisms abound, most recently in a scathing Pentagon inspector general's report in January that called the teams' doctrine inchoate, their training inadequate, their equipment untested, and their role unclear.

"Congress thought it was such a good idea that they had us move a little faster than we were able to," one senior Defense official pointedly said. Still, the official insisted, the idea behind the original name, RAID—Rapid Assessment and Initial Detection—remains valid.

But the Guard units may not arrive rapidly at all. Some lucky cities have civil support teams just minutes away. In Los Angeles, County Deputy Fire Chief Darrell Higuchi says the local team has participated in several drills and could arrive within half an hour of an incident. But in Boston, which has also exercised with the nearest team, based in Natick, Mass., Transit Detective Pasciucco said, "I'd be surprised if I saw them in less than five or six hours."

In fact, this is a common complaint about federal efforts to help states and localities cope with terrorist attacks. The programs are patchwork, the decisions about who gets money are arbitrary, the requirements are sometimes onerous, and it all adds up to a randomness in which some communities fare better than others. Five years since his city's tragedy jump-started America's counterterrorism efforts, Oklahoma City Fire Chief Gary Marrs says, "My disappointment is that it still seems to be a somewhat disjointed effort."

Here are a few examples: When local governments complained that federal decisions about who would get aid were being made arbitrarily, Congress ordered the Justice Department to stop making equipment grants to selected cities and directed it to send its money through state capitals instead. Local officials don't like that fix either. By far and away, "the most effective program is one where federal money goes directly to local governments, without the state taking a cut," said Seattle Deputy Fire Chief A.D. Vickery. But Justice's goal is a comprehensive national plan of coverage: It will release federal funds only after states perform an exhaustive self-assessment and produce a plan to protect all their citizens in the event of a terrorist attack.

That self-assessment is a bear. New Hampshire sent several officials to a special training session just to learn how to fill the survey out, said state coordinator Harper, but "by the time the folks had gotten back

here, the rules had changed."

Other state officials are more accepting. "It's good for us to sit down and go through this process of identifying targets and threats," said George W. Foresman, deputy coordinator of the Virginia Department of Emergency Management. And states can now spend Justice Department funds to fill gaps left by earlier federal programs. In Illinois, for example, the "biggest-cities" criterion channeled all aid to Chicago and its suburbs, leaving rural areas, small towns, and even the state capital, Springfield, uncovered. Now a Justice grant will help equip new state-controlled teams to respond anywhere in Illinois in less than two hours.

Although two hours is a vast improvement over federal response times, the time will still be too long for many victims who might otherwise survive an attack. That's why some members of Congress are pushing for more federal aid, so that nearly every emergency vehicle in the country can have some basic gear for detecting chemical, biological, or radiation weapons. "You need to have the basic detection tools on the first-in piece of equipment," be it a squad car or fire truck, said Rep. Curt Weldon, R-Pa., himself a former volunteer fire chief. "It's not there today."

Scientists at the Energy Department's national laboratories are working furiously on just such gear. A handheld detector already in the prototype stage can identify about a dozen chemical or biological agents. A detector with a wider range, say the labs, is some three to five years away.

Until then, what can the locals do besides wait? "At this current stage," said Seattle's Chief Vickery, "probably the best detection equipment we have —and it's a horrible thing to say—is the patients themselves, the symptoms they exhibit."

Decontamination

After identifying a chemical attack and getting federal or local hazmat crews in place, the next task for emergency workers is to decontaminate the victims. This is largely a local operation, although the federal government is providing training, helping local governments buy decontamination equipment, and disseminating lessons learned from the Tokyo attack.

For the local fire departments and hazardous-materials teams, however, decontaminating people is a thorny and awkward operation that presents all sorts of problems, and plenty of guesswork.

Some of that was revealed in last year's "Topoff" exercise in Portsmouth, N.H., in which local, state, and national officials simulated an attack by terrorists using chemical weapons. With victims "dying," and the National Guard team's mobile lab still en route, the local fire chief decided that the odors and the patients' symptoms indicated mustard gas. So, recalled New Hampshire state coordinator Harper, "he made the call to do 'gross decon': Run 'em through water, strip 'em, get 'em to the hospital, and treat 'em."

That procedure sounds simple enough. It's not. The first step in any incident is to set up a perimeter to prevent more civilians from wandering into harm's way. But in a chemical release, the danger zone itself may move. Although the most volatile agents will evaporate quickly, "persistent" chemicals form clouds that can last for hours, drifting with the wind—even indoors or underground. Air conditioning can spread the poisonous gas throughout a building, and the rush of subway trains can send it down tunnels. Several federal agencies, including the Energy Department, offer to local governments computer simulations that can quickly predict where the chemical will spread. Without these, police manning the perimeter at an ostensibly safe distance may become blue canaries.

It's not only air currents that will spread the poison, though: It's the victims as well. Every person fleeing the scene can carry the chemical on clothes and skin, where it continues to endanger not only the victim, but everyone the victim touches or even approaches. In Tokyo, where authorities were slow to set up a perimeter, so many contaminated victims rushed to hospitals or doctors' offices that several medical facilities became contaminated in turn and had to close down. Tending to poison-soaked patients in cramped ambulances or ill-ventilated wards, some paramedics and nurses became sick themselves. And most hospitals, in Japan and America alike, can decontaminate only a handful of patients at a time.

That means decontamination must take place before victims reach the hospital. People who are exposed to the chemicals or simply standing near the danger zone—all of them frightened, many of them sick, blinded, or choking—must be directed, even dragged, to "decontamination corridors" where they can be cleaned. But a crowded rush-hour subway can produce hundreds of victims; a packed sports arena, perhaps tens of thousands. Pretty soon, decontamination is a logistical nightmare. Most federal and local experts agree that the best first step to take when decontaminating large crowds of people is to strip off their outer clothing—which will be permeated with poison—and shower them off. "We can do a tremendous amount of good by just taking the clothes off you," Eversole said. But to persuade a panicky and mixed-gender crowd to strip off their clothes and leave behind their valuables—"What chaos," he sighed.

Many cities have bought special decontamination trucks or trailers with showers inside, but these are expensive and take time to set up. Other cities plan to roll in ordinary fire trucks and set the hoses for a gentle spray. "We can move literally hundreds of people through that fairly quickly," said Seattle's Deputy Chief Vickery. But that exposes patients not just to public view, but to the weather as well—which in winter may merely convert the victims' problem from poisoning to hypothermia. Vickery plans to improvise protective tarpaulins; other departments, such as Los Angeles County's, actually have inflatable, heated tents. And some officials speak bluntly of their intention to commandeer the nearest large building that has showers. "As soon as an incident goes down, one of the first things I will do … is look to see where the closest junior high school, high school, or college is," one official said. "I'll shut that place down."

Mass Casualty

When a chemical victim is clean enough to be treated safely, the medical problem has just begun. Especially in this efficiency-minded age of managed care, no city has much slack in its medical system. On even a normal night, many cities must institute "bypasses" when an overloaded emergency room refuses to accept more patients. In a true mass-casualty disaster, doctors, drugs, and even space will run out fast.

In most hospitals, "they're running at max most of the time," said Battalion Chief Michael Arras of the St. Louis Fire Department. "It's going to be mass havoc if you have a thousand people [injured]." As one health expert put it: "If push comes to shove, you put people on the floor. Nobody says that, but that's what happens." Many cities plan to set up field hospitals in parking lots or public buildings.

Harder to address is the shortage of supplies. Nerve gas antidote, for example, includes the heart drug atropine, which most ambulances already carry—but in doses less than a tenth of what a nerve gas victim needs. Other agents do their damage and are gone, with no need for an antidote. But to keep the victims breathing while their ravaged lungs repair themselves may require rare and expensive ventilators. Even basics such as blankets and intravenous bags will run short.

Some cities have used federal grants and their own resources to stockpile such supplies. Chicago, for example, has "triage vans"—literally truckloads of blankets, stretchers, and medical supplies. Still, in the long run, drugs expire, and gear breaks down, and the cost of stockpiling expensive, specialized supplies in mass-casualty quantities is more than any single city can bear. So the federal Health and Human Services Department has a two-tiered system of stockpiles. Enough supplies for 5,000 victims can be ready to fly within hours to the site of a terrorist incident—in theory. More medicine will be en route the next day.

That leaves the hardest shortage, the human one: With hundreds or thousands of patients, where do the doctors and nurses come from? East Baton Rouge Parish, which contains the city of Baton Rouge, is actually developing a database of nurses and doctors who have retired, moved to administrative work, or changed careers, so it can call them up in an emergency. The nation's largest medical system, the Veterans' Affairs Department, is finishing a similar list of its personnel who can help out in disasters. Health and Human Services actually has the largest such reserve. It can call up from across the nation more than 70 disaster medical assistance teams, each comprising up to 100 medical personnel who have volunteered to deploy to disasters that range from earthquakes to terrorist attacks.

While doctors are rushing in, the National Disaster Medical System will bring overflow patients out, transferring them, by military airlift if necessary, to VA facilities or 2,000 participating private hospitals nationwide.

But all of this would still take time. In the first awful hours after an incident, as on a battlefield, the only option is triage. "Every life is important, and there is no acceptable number of deaths," said Clark Staten, director of the Emergency Response & Research Institute in Chicago. "But reality may set in as you are faced with larger and larger numbers of casualties, and you're going to have to make realistic choices at that point about who can be saved and who can't."

Triage is not a solution anyone is happy with. But the fact is that the medical community is where fire departments were a few years ago—just beginning to prepare for encounters with weapons of mass destruction. The emerging model is HHS' Metropolitan Medical Response System. Originally intended as yet another rapid-response team, the program evolved into a far broader effort, one that links government-run emergency services with private hospitals, thereby creating a coherent community disaster plan. Although the program is providing 97 cities with an average of $600,000 apiece, HHS and outside experts agree that that is only seed money. The cities must spend their own funds to continue the programs. The grant's greatest value is as an incentive to get all parties to come together and plan. Said Oklahoma City Fire Chief Gary Marrs, "Just the fact that we've got the MMRS designation and got that group working [means] we've got them at least coming to the table and talking."

The Future

Now that federal, state, and local officials are talking, the challenge is to maintain the momentum. The Domestic Preparedness Program's original list of 120 cities will be trained by 2002, but federal officials are just now brainstorming about how to maintain and freshen the capabilities the program created. Indeed, since the program's October transition from the Defense Department to Justice, East Baton Rouge Parish's JoAnne Moreau noted that her city had received no funding or follow-up from either department. "We're in the black hole now," she said.

Even HHS' Metropolitan Medical Response System provides only an initial infusion of funds; it doesn't offer continuing support to train and exercise people, or to maintain equipment. The Justice Department envisions that its requirement that each state conduct a self-assessment will become the foundation for a

comprehensive national plan, but the interagency coordination is still lacking to carry out such a strategy. Also lacking is a national library of best practices, which would provide such information as how best to do mass decontamination, or the most important lessons learned from past exercises. The nonprofit Emergency Response and Research Institute says, based on its own efforts to create such a database, that one could be had for less than $250,000. After Oklahoma City and Tokyo, the United States, in its eagerness to get on top of the terrorist threat, leaped over such simple but important steps. That initial sprint to safety accomplished a great deal. But now the marathon lies ahead.

Mr. SHAYS. It starts out,

When you walk into clouds of poisonous gas for a living, it helps to have a sense of humor, even a morbid one. That's why fire department hazardous materials specialists often call their police colleagues "blue canaries." It is a reference to the songbirds that old-time miners took with them underground as living or dying indicators of bad air in the shafts. The joke goes like this, "There's a policeman down there. He doesn't look like he's doing too well. I guess that's not a safe area," explained John Eversole, chief of special functions for the Chicago Fire Department.

In their oxygen masks and all-enclosing plastic suits, "hazmat" specialists such as Eversole can approach industrial spills with confidence—and they do, dozens of times a day, all across the country. Fortunately, so far, they have not had to don those suits in response to some terrorist group that has doused an American city, subway, or airport with lethal chemical weapons.

What we did in our District is we invited a response team to come to the District and act out a scenario where an Amtrak train had encountered a derailment, and the police went in, and they were the first responders, and they didn't come out alive because of the chemicals.

We had about 40 agencies—some Federal, but we had the local police, we had the State police, we had the National Guard, who were the response team, and it was a fascinating experience to see how everybody would coordinate their activity.

I mention that because we focus primarily on the national response, but we have three levels of government, and they could put up charts, not maybe as complex as this but somewhat as complex.

So I envision your recommendation is that this homeland office would—and I don't ever see it as a fortress America, but this homeland office would also work, what, to coordinate this and the response? Maybe you could explain, Senator.

Senator RUDMAN. Yes, it would. One of its primary functions is to work with localities, municipalities, counties, States, so if something went wrong then there would be a plan, people would know who did what and when and where in terms of what if the local hospital becomes disabled. What if the local police department is disabled? What if the local fire department is disabled? What if the communications network goes down? What do you do? And that's what we ought to be talking about.

Mr. SHAYS. Would it also get involved—I'm looking at one of the charts that you can't see because it is closest to me, but it says, "Department of Agriculture." I'm just thinking, "Now, what would the Department of Agriculture do," and then you have a real, live example of the civil liberties of farmers in Great Britain who are seeing their personal property destroyed against their wishes, in some cases, because of foot-in-mouth disease.

Now, a terrorism could simply do what, General Boyd, as it relates to that?

General BOYD. The proliferation of disease, with biological warfare in animals as well as human beings. I mean, there is almost every aspect of Government has some piece of this where potentially it has involvement. But, again, the point that you made and the point that certainly we've made in our report is the coordination of all of that in an effective, coherent way just doesn't get accomplished.

Mr. SHAYS. We're going to shortly get on to the next panel, but let me ask this question. We obviously have a deterrent. We want to prevent and we want to protect the public from a terrorism at-

tack. That is obviously our first interest. But obviously we then have a response to an attack. It can be basically disarming a nuclear weapon. Obviously, that is something that we are prepared to do very quickly. But take any of the three areas of mass destruction, you have communications problems, you have health problems, you have the property, the fire, the police, and so on. You have the hospitals. But you also want to solve the crime, because we want to hold people accountable for what they may have done. It relates to this issue here. My biggest interest, obviously, is to prevent, and yours, as well, and to protect.

In the process of your doing your research, only the intelligence allows us to sift through hosts of vulnerabilities to distinguished the real threats. What was the Commission's view of the currency and reliability of U.S. threat assessment? And how could it be better?

Senator RUDMAN. Well, I'll be happy to answer that, as I answered, I believe, before to Chairman Gilman. I think that there has been a vast improvement in the human intelligence aspects of the work of the CIA overseas and the FBI here within this country in terms of identifying threats, not only against cities and citizens but against individuals, such as the President. Having said that, it is the most difficult, because unless you are 100 percent you lose.

So I would add to your comment, Mr. Chairman, that the response be planned meticulously so every place in this country knows how it would respond, and a good place to look—and your staff can get it for you very easily—is get all of the Japanese Government's reports and all the publicly available information on the attacks of deadly gas in the Tokyo subway system by a terrorist group several years ago. We've looked at all that and the U.S. intelligence community has all that. It's all available.

Here was a city with a fire department pretty well organized dealing with a mass of people in such a small area, and look at the confusion that resulted and the problems that existed. And we're talking about a fairly minor attack in terms of the number of people affected and the number of stations that were affected. We've got to look at that. It will help to answer your question about response.

Mr. SHAYS. Thank you. But your bottom-line point is that you have a good amount of confidence in our capabilities?

Senator RUDMAN. I do. Unfortunately, I want to stress you can't have 100 percent confidence. You would be a fool to. And, unfortunately, in this business just one slips through—and my greatest concern, incidentally—personal opinion, not in the report, but based on a lot of work that I have done—I am more concerned about chemical and biological right now than I am about nuclear.

Mr. SHAYS. OK.

Senator RUDMAN. I think it is a serious threat, easily deployed, and hard to deal with.

Mr. SHAYS. Let me conclude this just asking if either of you would like to ask yourself a question that you were prepared to answer.

Senator RUDMAN. I think you've asked them all.

General BOYD. You've asked the best ones.

Mr. SHAYS. OK. Is there any final comment that either of you would like to make?

Senator RUDMAN. My only comment would be that, to the extent that Members of the House and Senate recognize the seriousness of this problem and recognize that we're dealing with, you know, missile defense and we're dealing with a lot of other issues which we should be dealing with, this should be dealt with. This is a major threat to the American people. I'm not saying it is imminent. We have no such intelligence. But it is a major threat.

If you look at what happened to those wonderful, young American soldiers on the U.S.S. *Cole,* to the Air Force men and women in Saudi, and you just amplify that a bit, you'll understand what we're talking about.

Mr. SHAYS. I'd like to thank both of you and also thank our panel to come for their patience, but this has been very interesting, very helpful, and we'll look forward to continued contact with both of you.

Senator RUDMAN. We'll cooperate with you in every way we can. And, Congressman Kucinich, we will get an answer to you on the specific question you asked and how we address that issue.

Mr. KUCINICH. Thank you.

Senator RUDMAN. Thank you.

Mr. SHAYS. Thank you, gentlemen.

At this time we will call our second and last panel, Dr. Bruce Hoffman, director, Washington Office, RAND Corp.; General James Clapper, vice chairman, Advisory Panel to Assess the Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction; accompanied by Michael Wermuth, project director; and Mr. Frank Cilluffo, chairman, Report on Combating Chemical, Biological, Radiological, and Nuclear Terrorism, Center for Strategic and International Studies.

Do we have anyone else that may be joining us, as well? Is that it? Is there anyone else any of the four of you might ask to respond? We'll ask them to stand as we swear them in.

I would invite the four of you to stand, and we'll swear you in. Raise your right hands, please.

[Witnesses sworn.]

Mr. SHAYS. Thank you very much. We'll note for the record all four have responded in the affirmative.

It is possible, gentlemen, that I might be out of here before 12 for just a few minutes because I need to testify before the Appropriations Committee and they adjourn at 12. I will come back, and it's possible I'll still be here. We'll see. But don't take offense if I all of the sudden take off here.

If you could go in the order I called you, we'll go first with—well, I guess we'll just go right down the line here, OK?

Mr. Wermuth, my understanding is you will not have a statement but respond to questions; is that correct?

Mr. WERMUTH. That's correct, Mr. Chairman.

Mr. SHAYS. OK. So, Dr. Hoffman, thank you for being here. We'll take the clock 5 minutes. We'll roll it over and hope that you can be concluded before we get to the 10; 5 minutes, and then we'll roll it over.

We have sworn in everyone.

OK. Thank you.
Dr. Hoffman.

STATEMENTS OF BRUCE HOFFMAN, DIRECTOR, WASHINGTON OFFICE, RAND CORP.; JAMES CLAPPER, JR., LIEUTENANT GENERAL, USAF (RET), VICE CHAIRMAN, ADVISORY PANEL TO ASSESS THE DOMESTIC RESPONSE CAPABILITIES FOR TERRORISM INVOLVING WEAPONS OF MASS DESTRUCTION, ACCOMPANIED BY MICHAEL WERMUTH, PROJECT DIRECTOR; AND FRANK CILLUFFO, CHAIRMAN, REPORT ON COMBATING CHEMICAL, BIOLOGICAL, RADIOLOGICAL, AND NUCLEAR TERRORISM, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Mr. HOFFMAN. Thank you very much, Mr. Chairman, distinguished members of the subcommittee, for this opportunity to testify.

Clearly, much has been done in recent years to ensure that America is prepared to counter the threat of terrorism; yet, despite the many new legislative and programmatic initiatives, significant budgetary increases, and the intense Governmental concern that these activities evince, America's capabilities to defend against terrorism and to preempt and to respond to terrorist attacks arguably still remain inchoate and unfocused.

As last November's tragic attack on the U.S.S. *Cole* demonstrated, America remains vulnerable to terrorism overseas. Indeed, within the United States it is by no means certain 6 years later that we are capable of responding to an Oklahoma City type incident.

Today, however, the question is no longer one of more attention, bigger budgets, and increased personnel, but rather of greater focus, of better appreciation of the problem, a firmer understanding of the threat, and the development of a comprehensive national strategy. My testimony this morning will discuss how the absence of such a strategy has hindered American counterterrorism efforts by focusing on the critical importance of threat assessments in the development of a national strategy.

The title of this hearing, "Combating Terrorism: In Search of a National Strategy," is particularly apt. Notwithstanding many accomplishments that we've had in building a counterterrorism policy, it is still conspicuous that the United States lacks an overarching strategy to address this problem. This is something that on numerous occasions, including before this subcommittee, the Gilmore Commission and its representative, its vice chairman, General Clapper, has called attention to.

What I would ask is that the articulation and development of a comprehensive strategy is not merely an intellectual exercise; rather, it is the foundation of any effective counterterrorism policy.

Indeed, the failure to develop such a strategy has undermined and forwarded the counterterrorist efforts of many other democratic countries throughout the years, producing ephemeral if not nugatory effects that in some instances have proven counterproductive in the long run. Indeed, this was one of the key findings of a 1992 RAND study, which I'd like to enter the executive sum-

mary of four pages into the record but leave a copy of the report for the subcommittee staff to consult at their leisure.

Using select historical case studies of close U.S. allies, such as the United Kingdom, West Germany, and Italy, this was precisely the conclusion that we had reached.

Accordingly, the continued absence of such a strategy threatens to negate the progress we have achieved thus far in countering the threat of terrorism.

A critical prerequisite in framing such a strategy is the tasking of a comprehensive net assessment of the terrorist threat, both foreign and domestic. Indeed, this is something, as well, that numerous witnesses before this subcommittee from the General Accounting Office, John Parkin from the Monterey Institute have previously called attention to. They have cited that there has been no net assessment for at least the last 6 years, and also that no means exists to conduct such an assessment of the terrorist threat within the United States, itself.

Equally as problematic, it is now nearly a decade since the last NIE—national intelligence estimate—on terrorism, a prospective, forward-looking effort to predict and participate future trends in terrorism that was undertaken by the intelligence community. Admittedly, a new NIE on terrorism is currently being prepared as part of a larger process viewing all threats against the United States.

But let us ask, given the profound changes we have seen in the character, nature, identity, and motivations of the perpetrators of terrorism within the past years, one would argue that such an estimate is long overdue.

Certainly, the Global Trends 2015 effort undertaken by the National Intelligence Council last year was a positive step forward in this direction; however, at the same time, at least in the published, unclassified version of that report, little attention was paid to terrorism.

The danger of not undertaking such assessments and constantly revisiting previous assessments is that we risk remaining locked in a mindset that has become antiquated, if not anachronistic. Indeed, right now we very much view terrorism through a prism locked in the 1995–95 mindset, when some of the key or pivotal terrorist incidents of that particular period—some that were discussed by Senator Rudman and General Boyd this morning, the 1995 attack on the Tokyo subway and the bombing a month later of the Oklahoma City bombing—have framed our perceptions of understanding of the terrorist problems.

Now, those perceptions and that understanding may still be accurate, may still be correct, but, without constantly going back and asking and applying them to current developments in terrorism, we don't know that. Let me give you one example.

At the time and in my written testimony I refer to several statements made by directors of Central Intelligence that said in the mid 1990's we faced a worsening terrorist problem. The number of terrorist incidents was increasing. Terrorism was becoming more lethal. Therefore, this argument was used to present a framework that terrorism involving weapons of mass destruction had not just

become possible, probable, or even likely, but that it was inevitable, imminent, and even certain.

This may well be the case, but at the same time, though, by not taking advantage of the long or unfolding of trends, we may miss the point.

For example, lethality in terrorism, in fact, at least as targeted against Americans, declined rather than increased throughout the 1990's. For example, overseas six times as many Americans were killed by terrorists in the 1980's as in the 1990's. On average, international acts of terrorism that targeted Americans in the 1980's killed, again, on average, 16 Americans per attack; in the 1990's, that average was 3.

The situation is not all that different domestically, either. Nearly eight times more terrorist incidents, according to FBI statistics, were recorded in the 1980's as compared to the 1990's. Admittedly, the death rate in the United States was greater—176 persons were killed by terrorists in America during the 1990's, compared to 26 in the 1980's. But, at the same time, viewed from a slightly different perspective, 95 percent of that total come from one single incident—the tragic, heinous bombing of the Alfred P. Murrah Building in Oklahoma City.

My point, though, is that, of the 29 terrorist incidents reported in the United States by the FBI in the 1990's, only 4 resulted in fatalities.

So yes, Oklahoma is something we have to pay attention to, we have to prepare to, but Oklahoma City, at the same time, is not emblematic of the trend of terrorism in the United States.

Now, this isn't by any stretch of the imagination to suggest that the United States should become complacent about the threat of terrorism or that we should in any way relax our vigilance. Rather, what these statistics, I think, highlight is the asymmetry between perception and reality that a comprehensive terrorism threat assessment would go some way to addressing.

Without such assessments, we risk adopting policies and making hard security choices based on misperception and miscalculation, rather than on hard analysis built on empirical evidence of the actual dimensions of the threat.

Without ongoing, comprehensive reassessments, we cannot be confident that the range of policies, countermeasures, and defenses required to combat terrorism are the most relevant and appropriate ones for the United States.

Regular systematic net assessments would also bring needed unity to the often excellent but, nonetheless, separate, fragmented, and individual assessments that the intelligence community carries out on a regular basis.

This would enable us to present the big picture of the terrorist threat, which would facilitate both strategic analysis and the framing of an overall strategy. It would also profitably contribute to bridging the gap that lamentably has begun to exist between the criminal justice law enforcement approach to countering terrorism and that of the intelligence and national security approach.

This dichotomy, which has characterized the United States' approach to terrorism during the 1990's, is not only myopic but may also prove dangerous.

In conclusion, only through a sober and empirical understanding of the terrorist threat we will be able to focus our formidable resources where and when they can be most effective.

The development of a comprehensive national strategy to combat terrorism would appreciably sustain the progress we've achieved in recent years in addressing the threat posed by terrorists to Americans and American interests, both in this country and abroad.

Thank you very much.

Mr. SHAYS. Thank you, Dr. Hoffman.

[The prepared statement of Mr. Hoffman follows:]

COMBATING TERRORISM: IN SEARCH OF A NATIONAL STRATEGY

Testimony of Dr. Bruce Hoffman
Director, RAND Washington Office

Before the Subcommittee on National Security, Veterans Affairs, and International Relations, House Committee on Government Reform

March 27, 2001

COMBATING TERRORISM: IN SEARCH OF A NATIONAL STRATEGY

Statement of Bruce Hoffman,*
Director, RAND Washington Office

Thank you, Mr. Chairman, for the opportunity to testify before the Subcommittee on this important issue. Clearly, much has been done in recent years to ensure that America is prepared to counter the threat of terrorism. Yet, despite the many new legislative and programmatic initiatives, budgetary increases, and the intense governmental concern and attention they evince, America's capabilities to defend itself against the threat of terrorism and to pre-empt or respond to such attacks, arguably still remain inchoate and unfocused. Last November's suicide attack on the *U.S.S. Cole* tragically underscored these continued vulnerabilities. Indeed, within the United States it is by no means certain that we would be better able today to address an Oklahoma City-like bombing scenario than we were six years ago.[1]

The issue in constructing an effective counterterrorism policy is, however, no longer the question of more attention, bigger budgets and increased staffing that it once was: but of a need for greater focus, a better appreciation of the problem and firmer understanding of the threat, and, in turn, the development of a comprehensive national strategy. My testimony this morning will discuss how the absence of such a strategy has hindered our counterterrorism efforts by focusing on the critical importance of threat assessments in the development of such a national strategy.

The title of this hearing, "combating terrorism: in search of a national strategy" is particularly apt. Notwithstanding the many accomplishments in recent years towards

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*This testimony is derived from the author's contribution to the volume edited by Frank Carlucci, Robert Hunter, and Zalmay Khalilzad, *Taking Charge: A Bipartisan Report to the President-Elect on Foreign Policy and National Security: Discussion Papers* (Santa Monica, CA: RAND, 2000, MR-1306/1-RC). See Bruce Hoffman, "Presidential Transition Team Issues: Terrorism," pp. 191-200. This effort was supported entirely by RAND funds and, like this written statement, was neither funded by federal government grant nor monies. **It should also be emphasized that the opinions and conclusions expressed both in this testimony and the published work from which it is derived are entirely my own and therefore should not be interpreted as representing those of RAND or any of the sponsors of its research.**

[1]This at least was the consensus following a series of discussions by the author with state and local first responders (police, fire and emergency services personnel) in Oklahoma, Idaho, and Florida during April and August 2000.

building a counterterrorism policy, there still remains the conspicuous absence of an overarching strategy. As the Gilmore Commission[2] observed in its first annual report to the President and the Congress in December 1999, the promulgation of a succession of policy documents and presidential decision directives[3] neither equates to, nor can substitute for, a truly "comprehensive, fully coordinated national strategy."[4] The effect, that report concluded, was that the multiplicity of Federal agencies and programs concerned with combating terrorism were inevitably fragmented and uncoordinated—replete with overlapping responsibilities, duplication of effort and lacking clear focus.

The articulation and development of such a strategy is not simply an intellectual exercise, but must be at the foundation of any effective counterterorism policy. Failure to do so, for example, has often undermined the counterterrorism efforts of other democratic nations: producing frustratingly ephemeral, if not sometimes, nugatory effects and, in some cases, proving counterproductive in actually reducing the threat. This was among the key findings of a 1992 RAND study that examined, through the use of select historical case studies,[5] the fundamental requirements of an effective counterterrorism policy.[6] Hence, the continued absence of a national strategy threatens to negate the progress thus far achieved by the U.S. both in countering and defending against terrorism. What is required, as the Gilmore Commission's two successive annual reports have argued, is the elucidation of a comprehensive, fully-coordinated strategy for the entire federal government, with specific direction provided by the President in consultation with all of his senior advisors who have responsibility for related federal efforts. This also must be accompanied by a comprehensive effort that seeks to knit together more tightly, and provide greater organizational guidance and focus, to individual state and local preparedness and planning efforts in order to minimize duplication and maximize coordination.

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[2]Formally known as the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, but often referred to as the Gilmore Commission in recognition of its chairman, Governor James S. Gilmore III.

[3]E.g., the "Five Year Interagency Counter-Terrorism Plan" and PDDs 39, 62 and 63.

[4]The Advisory Panel to Assess Domestic Response Capabilities For Terrorism Involving Weapons of Mass Destruction, *I. Assessing the Threat*, 15 December 1999, p. 56.

[5]Among the cases examined were the counterterrorist campaigns prosecuted by Britain, West Germany, and Italy.

[6]It is perhaps worth quoting one sentence of that report in full: "The report's most important conclusion was arguably that individual application of selected tactics and policies without a comprehensive national plan can prolong a conflict or even lead to complete failure" (p. 2). For a more detailed discussion of this issue, see pp. 136-140 in Bruce Hoffman and Jennifer Morrison Taw, *A Strategic Framework for Countering Terrorism and Insurgency* (Santa Monica, CA: RAND, N-3506-DOS, 1992).

A critical prerequisite in framing such an integrated national strategy is the tasking of a comprehensive net assessment of the terrorist threat, both foreign and domestic, as it exists today and is likely to evolve in the future.[7] There has been no new, formal foreign terrorism net assessment for at least the past six years. Moreover, the means do not currently exist to undertake a comprehensive domestic terrorism net assessment. In addition, the last comprehensive national intelligence estimate (NIE) regarding foreign terrorist threats—a prospective, forward-looking effort to predict and anticipate future terrorist trends—was conducted nearly a decade ago.[8] Although a new NIE is currently underway, given the profound changes in the nature, operations and mindset of terrorists we have seen in recent years, such an estimate is arguably long over-due. Although the National Intelligence Council's wide-ranging *Global Trends 2015* effort was a positive step in this direction, surprisingly minimal attention was paid to terrorism, in the published open-source version at least.[9]

The failure to conduct such comprehensive net assessments on a more regular basis is palpable. Indeed, in this critical respect our collective policy mindset on terrorist threats arguably remains locked in a 1995-96 time frame, when the defining incidents of that period, such as the Tokyo nerve gas attack and the Oklahoma City bombing, fundamentally shaped and influenced our thinking about counterterrorism policy requirements and responses. These events were described as unmistakable harbingers of a profound and potentially catastrophic change in the nature of terrorism: pointing to a new era of terrorism far more lethal and bloody than before.[10] Indeed, at the time two successive DCIs (Director, Central Intelligence) warned unequivocally of dangerous

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[7]This same argument has been made repeatedly by Henry L. Hinton, Jr., Assistant Comptroller General, National Security and International Affairs Division, U.S. General Accounting Office, before the Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform, U.S. House of Representatives in (1) "Combating Terrorism: Observation on Federal Spending to Combat Terrorism," 11 March 1999; and (2) "Combating Terrorism: Observation on the Threat of Chemical and Biological Terrorism," 20 October 1999; as well as by John Parachini in "Combating Terrorism: Assessing the Threat" before the same House subcommittee on 20 October 1999; and the Hinton testimony "Combating Terrorism: Observation on Biological Terrorism and Public Health Initiatives," before the Senate Committee on Veterans' Affairs and Labor, Health and Human Services, Education, and Related Agencies Subcommittee, Senate Committee on Appropriations, GAO/T-NSIAD-99-12, General Accounting Office Washington, D.C., 16 March 1999.

[8]It should however be noted that two subsequent NIEs reportedly produced in 1995 and 1997 more narrowly examined potential future foreign terrorist threats *in* the U.S. only.

[9]National Intelligence Council, *Global Trends 2015: A Dialogue About the Future With Non-government Experts*, December 2000.

[10]See, among other publications, for example, Steven Simon and Daniel Benjamin, "America and the New Terrorism," *Survival*, vol. 42, no. 1 (Spring 2000), pp. 59-75.

trends and dire consequences. Terrorism, James Woolsey averred in 1994, "is getting worse faster than it is getting better";[11] and two years later his successor, John Deutsch, confirmed that assessment, cautioning that the intelligence community "has been predicting growth in lethality of international terrorism for some time."[12]

Yet, the changes in terrorist weaponry and tactics that would ineluctably result in greater terrorist lethality—accompanied by the world-wide surge in terrorism that was predicted to occur and would specifically target the U.S. (the "new terrorism's" principal nemesis)—never really materialized. Perceptions to the contrary, the streets of the world hardly run red with American blood. During the 1990s, for example, a total of 87 Americans were killed in a total 1,372 attacks perpetrated against U.S. targets overseas. By contrast, approximately six times as many Americans (571) perished in the 1,701 attacks recorded during the 1980s.[13] There is of course no doubt that terrorism poses a dangerous threat to Americans traveling or working abroad and whatever the number of killed and injured overseas it is incontestably tragic that any American should lose his or her life to violence or be wantonly harmed and injured simply because of the nationality of the passport they carry, the uniform they wear, or the job they perform. But the fact remains that, so far as international terrorism is concerned, the world was a far more dangerous place for Americans in the 1980s, when on average 16 Americans were killed per terrorist attack on a U.S. target, than during the 1990s when the supposedly more lethal "new terrorism" on average claimed the lives of 3 persons per anti-U.S. attack.

Nor is the situation terribly different so far as terrorism in the U.S. itself is concerned. Six years later, the anti-federalist, white supremacist revolution that the Oklahoma City bomber, Timothy McVeigh, and his identified confederates hoped both to inspire and provoke appears to have fizzled completely. While the seditious motivations that lay behind the attack doubtless still exist in parts of the U.S., they nonetheless have not gained the widespread currency and popularity that at the time was feared. In this respect, the wave of domestic terrorism and violence that many worried would break across the country in the wake of that tragic event has not come to pass. In fact,

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[11]Quoted in David B. Ottaway, "U.S. Considers Slugging It Out With International Terrorism," *Washington Post*, 17 October 1996.

[12] "Fighting Foreign Terrorism," John Deutch, Director of Central Intelligence, Georgetown University – 5 September 1996, p. 2. See also R. Jeffrey Smith, "Critics 'Wrong,' CIA Chief Says," Washington Post, 6 1996.

[13]Statistics compiled by the Bureau of Diplomatic Security, U.S. State Department. See also, Office of the Coordinator for Counterterrorism, *Patterns of Global Terrorism 1999* (Washington, D.C., U.S. Department of State Publication 10687, April 2000), p. 1.

according to FBI statistics, far fewer terrorist incidents were recorded in the U.S. during the 1990s, than during the previous decade. The FBI lists a total of 220 domestic terrorist acts as having been perpetrated between 1980 and 1989; compared to a mere 29 incidents for the period 1990 to 1998 (the last year for which published data is available from the FBI). Admittedly, 176 persons were killed by terrorists in the U.S. during the 1990s: a figure nearly seven times the 1980s total of just 26 persons. However, this tragic death toll is the result of four out of only 29 terrorist incidents: and of the four incidents, it was one especially heinous act—the Oklahoma City bombing—which accounts for the overwhelming majority—e.g., 95 percent—of the total.[14] Once again, there is no doubt that terrorism remains a threat to the lives and well-being of Americans in our own country, but it must be kept in mind that the *actual* number of terrorist incidents—as opposed to the hundreds of hoaxes, often involving alleged chemical and biological agents, that the FBI and other law enforcement and public safety agencies now routinely respond to and which arguably have fueled our perception of a burgeoning, *actual* domestic terrorist threat—remains remarkably few and those that cause fatalities still less.[15]

The above arguments, it should be emphasized, are not meant to suggest that the U.S. should become at all complacent about the threat of terrorism (domestic or international) or should in any way relax our vigilance either at home or abroad. Rather they highlight an asymmetry between perception and reality that a comprehensive, integrated threat assessment could redress. The principal danger we arguably face is that by succumbing to intense fears that are not completely grounded in reality, we risk

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[14]Statistics compiled from Terrorist Research and Analytical Center, Terrorism Section, Criminal Investigative Division, *FBI Analysis Of Terrorist Incidents In The United States* (Washington, D.C.: U.S. Department of Justice, Federal Bureau of Investigation, 1984), p. 10; idem., *Terrorism in the United States, 1982-1992* (Washington, D.C.: U.S. Department of Justice, Federal Bureau of Investigation, 1993), p. 8; Counterterrorism Threat Assessment and Warning Unit, National Security Division, *Terrorism in the United States 1997* (Washington, D.C.: U.S. Department of Justice, Federal Bureau of Investigation, 1998), pp. 22-23; and, idem., *Terrorism in the United States 1998* (Washington, D.C.: U.S. Department of Justice, Federal Bureau of Investigation, 2000), pp. 3 & 6.

[15]See Statement for the record before the Senate Select Committee on Intelligence, January 28, 1998, http//:www.fbi.gov/pressrm/congress/ congress98/threats.htm of FBI Director Louis J. Freeh, p. 6; Statement of Robert J. Burnham, Chief, Domestic Terrorism Section before the U.S. House of Representatives Subcommittee on Oversight and Investigations, May 19, 1999, p.1 at http//:www.fbi.gov/pressrm/congress/congress99/ epa.htm; and, Statement for the Record of Mrs. Barbara J. Martinez, Deputy Director, National Domestic Preparedness Office before the U.S. House of Representatives Transportation and Infrastructure Committee, Subcommittee on Oversight, Investigations, and Emergency Management, June 9, 1999, p.1 at http//:www.fbi.gov/pressrm/congress/congress99/ comterr.htm.

adopting policies and making hard security choices based on misperception and misunderstanding rather than on hard analysis built on empirical evidence of the actual dimensions of the terrorist threat. Terrorism is among the most dynamic of phenomena because of the multiplicity of adversaries (and potential adversaries), the perennial emergence of new causes and different aims and motivations fuelling this violence, the adoption and evolution of new tactics and modus operandi and the greater access and availability of increasingly sophisticated weaponry. As France's senior intelligence officer responsible for counterterrorism observed in an interview with the author last May: "terrorism is always changing. The way I am looking at terrorism today, is not the way I looked at it yesterday."[16]

Without ongoing, comprehensive re-assessments we cannot be confident that the range of policies, countermeasures and defenses we adopt are the most relevant and appropriate ones. A process through which the American intelligence community would conduct at specified intervals regular, and systematic, net assessments of foreign terrorist threats—in addition to the individual, more narrowly focused assessments they are regularly tasked to provide—would be an important means to remedy this situation. However high the quality of this collection of individual assessments, by themselves they do neither comprise nor amount to an integrated, overall net assessment of the threat. Indeed, according to one well-respected American counterterrorism intelligence analyst, the current process produces a "mishmash" of assessments that are not fully coordinated or integrated into a comprehensive, integrated assessment.[17]

A mechanism whereby a domestic counterpart to the foreign terrorist net assessment could be undertaken also needs to be implemented and developed. The absence of such a means to gauge and assess trends in domestic terrorism and assess their implications is a major impediment towards framing a cohesive and comprehensive strategy. At one time it was thought that the NDPO (National Domestic Preparedness Organization) within the FBI and Department of Justice would undertake such an effort. The fact that this has not been done raises questions of how such a domestic net assessment should be conducted and which department within what agency would have the lead in collating and articulating the domestic assessment.

Similarly, given that terrorism today has become more complex, amorphous and transnational in nature, the distinction between domestic and international terrorist threats

[16]Interview, Paris, France, May 2000.

[17]Interview, Washington, D.C., March 2001.

is eroding. Accordingly, a process that facilitates the integration of domestic and foreign assessments might also help to bridge the gap created by the different approaches to addressing the terrorist threat respectively embraced by the law enforcement and intelligence communities in this country. For instance, in recent years terrorism has been regarded more as a law enforcement, cum criminal justice, matter than the intelligence and national security issue it also ineluctably is. This approach is problematical, if not dangerously myopic, and deprives the U.S. of a critical advantage in the struggle against terrorism.

In conclusion, it is clear that we need to be absolutely confident that the U.S. is both adequately and appropriately prepared to counter the terrorist threats of today and tomorrow. Accordingly, an essential prerequisite to ensuring that our formidable resources are focused where they can have the most effect is a sober and empirical understanding of the threat coupled with a clear, comprehensive and coherent strategy. Without such a strategy, we risk embracing policies and pursuing solutions that may not only be dated, but may also have become irrelevant; we also lose sight of current and projected trends and patterns and thereby risk preparing to counter and respond to possibly illusory threats and challenges. The development of a comprehensive national strategy to combat terrorism would likely appreciably sustain the progress made in recent years in addressing the threat posed by terrorism to Americans and American interests both here and abroad.

Mr. SHAYS. General Clapper.

General CLAPPER. Mr. Chairman, distinguished members of the subcommittee, I am pleased to have this opportunity to speak on behalf of the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, less-awkwardly known as the Gilmore panel, after its chairman, Governor Jim Gilmore of Virginia.

I might mention that I guess the epiphany experience for me with respect to terrorism was my participation as a senior intelligence investigator in the aftermath of the Khobar Towers attack in June 1996 in Saudi Arabia.

In the brief time I have for these remarks, I will cut to the chase on the two specific findings and recommendations in our last report that you asked that we address—one, lack of a national strategy, which has already been spoken to at some depth this morning, for combating terrorism, and that the administration should develop one; and the other major point was the reorganization of the Federal Government's programs and at the present should establish a national office for combating terrorism in the Executive Office of the President and seek a statutory basis for it.

So our suggested solution organizationally and structurally is different than what you heard this morning from Senator Rudman and General Boyd.

On strategy, it is our view, after 2 years of looking at this, that the Nation now has many well-intended but often disconnected programs that aim individually to achieve certain preparedness objectives. Some of the sorted several policy and planning documents, such as the Presidential Decision Directives [PDDs] 39 and 62; the Attorney General's 1999 5-year plan, which Mr. Gilman mentioned; and the most recent annual report to Congress on combating terrorism, taken as a whole, constitute a national strategy.

In our view, the view of the panel, these documents describe plans, various programs underway, and some objectives, but they do not, either individually or collectively, constitute a national strategy.

We recommended in our report published in mid-December that the new administration develop an over-arching national strategy by articulating national goals for combating terrorism, focusing on results rather than the process.

We made three key assumptions about forging such a strategy, and I think these are reflective of the composition of our panel, which was heavily numbered with State and local officials representing emergency planners, fire chiefs, police chiefs, and emergency medical people, public health people, and State emergency planners. So our perspective, I think, was a little bit different perhaps than the Hart-Rudman Commission because of the composition of our group, which was heavily influenced, heavily populated by State and local people.

So the first assumption that we kept in mind in suggesting a national strategy was that local response entities will always be the first and conceivably only response. In the case of a major—God forbid—cataclysmic attack, however you want to define it, no single jurisdiction is likely going to be capable of responding without outside assistance.

What we have in mind here is a multiple jurisdiction, perhaps a multiple State event, rather than one that is localized to a single locale or a single State.

Maybe most important, we have a lot of capabilities that we have developed over many years for response to natural disasters, disease outbreaks, and accidents, so these capabilities can and should be used as the foundation for our capability to respond to a terrorist attack.

I'd like to briefly highlight some of what our panel sees as the major attributes of such a strategy.

It should be geographically and functionally comprehensive and should address both international and domestic terrorism in all its forms—chemical, biological, nuclear, conventional explosives, and cyber. It must encompass local, State, and Federal, in that order. It must include all of the functional constituencies—fire departments, emergency medical, police, public health, agriculture, etc.

To be functionally comprehensive, the strategy, we believe, should address the full spectrum of the effort, from crisis management, as well as consequence management, and it must have objective measures in order to set priorities, allocate funds, measure progress, and establish accountability.

The main point I would leave you with, with respect to a national strategy for combating terrorism, is that it must be truly national, not just Federal. It should be from the bottom up, not the other way around.

Our other major recommendation, that we need somebody in charge—a theme you have already heard—is directly tied to devising a strategy. The display boards behind you are from our first report that we published at the end of 1999. It was our attempt to depict objectively the complexity of the Federal apparatus, all the organizations and agencies and offices that, in one degree or another, have some responsibility for various phases of combating terrorism.

We found that the perception of many State and local people is that the structures and processes at the Federal level for combating terrorism are complex and confusing. Attempts that have been made to create a Federal focal point for coordination with State and local officials such as the NDPO have, at best, been only partially successful. Many State and local officials believe that Federal programs are often created and implemented without including them. We don't think the current coordination mechanisms provide for the authority, coordination, discipline, and accountability that is needed.

So for all these reasons we recommended a senior authoritative entity in the Executive Office of the President which we called the "National Office for Combating Terrorism," obviously a different construct than the Hart-Rudman Commission suggested.

This would have the responsibility for developing a strategy and coordinating the programs and budget to carry out that strategy. We feel strongly that this office must be empowered to carry out several responsibilities which are outlined in our full report. I will highlight three here by way of example.

First and foremost, of course, is to develop and update the strategy, which would, of course, be presented and approved by the President.

The office should have a programming and budgeting responsibility in which it can oversee and, through the process of certifying or decertifying, ensure that our programs and budgets among all the plethora of departments and agencies are synchronized and coherent.

An area that is of particular interest and near and dear to my heart is the area of intelligence, which Bruce has already spoken to. This office would also be responsible for coordinating intelligence matters, to foster the national assessments that Dr. Hoffman spoke to, to analyze both foreign and domestic intelligence in a unitary way, rather than as two separate, disparate pursuits, and to devise policy for dissemination to appropriate officials at the State and local levels.

We believe this office should have certain characteristics or attributes that we think are important. The person who heads the office should be politically accountable—that is, nominated by the President, confirmed by the Senate—and enjoy Cabinet-level status.

The office must have complete oversight over all the Federal programs and funding to influence resource allocation. It should be empowered to certify what each department, agency, or office is spending in the interest of following a strategy, sticking with priorities, and minimizing duplication.

Finally, the office should not have operational control over execution. Indeed, we don't want to see the various Federal stakeholders abrogate their responsibilities. What we do want to see is to have them carried out in a coherent, synchronized, coordinated way.

In conclusion, Mr. Chairman and members of the subcommittee, the Gilmore panel members are convinced that these two recommendations are crucial for strengthening the national effort to combat terrorism. We need a true national strategy and we need somebody clearly in charge. This is not a partisan political issue. We have members on our panel who identify with each of the parties, virtually all the functional constituencies, and all governmental levels—Federal, State, and local. This is simply something we all agreed that the country needs.

Contemplating the specter of terrorism, as you are doing this morning, in this country is a sobering but critically necessary responsibility of Government officials at all levels and in all branches. It is truly a national issue that requires synchronization of our efforts—vertically, among the Federal, State, and local levels, and horizontally among the functional constituent stakeholders.

The individual capabilities of all critical elements must be brought to bear in a much more coherent way than is now the case. That fundamental tenet underlies our work over the last 2 years.

Our most imposing challenge centers on policy and whether we have the collective fortitude to forge change, both in organization and process.

I would respectfully observe that we have studied the topic to death, and what we need now is action.

Mr. Chairman, this concludes my brief statement. I would be pleased to address your questions.

Mr. SHAYS [assuming Chair]. Thank you, General Clapper. We will reserve the opportunity of questioning you at the conclusion of our panel's testimony.

[The prepared statement of General Clapper follows:]

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Congress of the United States

House of Representatives

Committee on Government Reform

SUBCOMMITTEE ON NATIONAL SECURITY, VETERANS AFFAIRS AND INTERNATIONAL RELATIONS

Testimony of

JAMES CLAPPER, JR.
(Lieutenant General, U.S. Air Force, Retired)

Vice Chairman,
Advisory Panel to Assess Domestic Response Capabilities
for Terrorism Involving Weapons of Mass Destruction

27 March 2001

TESTIMONY OF JAMES CLAPPER, JR.

Mr. Chairman, Members of the Subcommittee, I am honored to be here today. I come before you as the Vice Chairman of the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, also known as the "Gilmore Commission" (after its Chairman, Governor James S. Gilmore, III, of Virginia). Thank you for the opportunity to present the views of the Advisory Panel.

The Advisory Panel was established by Section 1405 of the National Defense Authorization Act for Fiscal Year 1999, Public Law 105–261 (H.R. 3616, 105th Congress, 2nd Session) (October 17, 1998). That Act directed the Advisory Panel to accomplish several specific tasks. It said:

> The panel shall--
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> 1. assess Federal agency efforts to enhance domestic preparedness for incidents involving weapons of mass destruction;
> 2. assess the progress of Federal training programs for local emergency responses to incidents involving weapons of mass destruction;
> 3. assess deficiencies in programs for response to incidents involving weapons of mass destruction, including a review of unfunded communications, equipment, and planning requirements, and the needs of maritime regions;
> 4. recommend strategies for ensuring effective coordination with respect to Federal agency weapons of mass destruction response efforts, and for ensuring fully effective local response capabilities for weapons of mass destruction incidents; and
> 5. assess the appropriate roles of State and local government in funding effective local response capabilities.

The Act requires the Advisory Panel to report its findings, conclusions, and recommendations for improving Federal, State, and local domestic emergency

preparedness to respond to incidents involving weapons of mass destruction to the President and the Congress at three times during the course of the Advisory Panel's deliberations—on December 15 in 1999, 2000, and 2001.

Mr. Chairman, you have asked that we provide testimony today on two of the findings and their related recommendations contained in the second report of the Advisory Panel, entitled "Toward a National Strategy for Combating Terrorism," dated December 15, 2000. First:

- The United States has no coherent, functional national strategy for combating terrorism; and the next President should develop and present to the Congress a national strategy for combating terrorism within one year of assuming office.

And second:

- The organization of the Federal government's programs for combating terrorism is fragmented, uncoordinated, and politically unaccountable; and the next President should establish a National Office for Combating Terrorism in the Executive Office of the President, and should seek a statutory basis for this office.

A National Strategy for Combating Terrorism

Mr. Chairman and Members, the Advisory Panel believes that a truly comprehensive national strategy will contain a high-level statement of national objectives coupled logically to a statement of the means to be used to achieve these objectives. Currently, there is no overarching statement of what the United States is trying to achieve with its program to combat terrorism. Goals must be expressed in terms of results, not process. Government officials have, in the past, spoken of terrorism preparedness goals in terms of program execution. A comprehensive national strategy will answer the more

fundamental and important question: To what end are these programs being implemented?

Instead of a national strategy, the nation has had a loosely coupled set of plans and specific programs that aim, individually, to achieve certain particular preparedness objectives. Senior U.S. officials have previously stated that several official broad policy and planning documents that were published in the prior administration—Presidential Decision Directives 39 and 62, the Attorney General's 1999 Five-Year Interagency Counterterrorism and Technology Crime Plan, and the most recent Annual Report to Congress on Combating Terrorism[1]—taken as a whole, constitute a national strategy. These documents describe plans, the compilation of various programs already under way, and some objectives; but they do not either individually or collectively constitute a national strategy.

Although Executive Branch agencies are administering programs assigned to them in the various pieces of legislation, the Executive Branch, under the former administration, did not articulate a broad national strategy that would synchronize the existing programs or identify future program priorities needed to achieve national objectives for domestic preparedness for terrorism. Moreover, it is our view that, given the structure of our national government, only the Executive Branch can produce such a national strategy.

As a result, we recommended that the incoming Administration begin the process of developing a national strategy by a thoughtful articulation of national goals for combating terrorism, focusing on results rather than process. The structure and specifics of the

national program should derive logically and transparently from the goals, not the other way around.

Basic Assumptions

The Advisory Panel agreed on several basic assumptions to guide its approach to strategy development. First, "local" response entities—law enforcement, fire service, emergency medical technicians, hospital emergency personnel, public health officials, and emergency managers—will *always* be the "first" and conceivably only response.

Second, in the event of a *major* terrorist attack, however defined—number of fatalities or total casualties, the point at which local and State capabilities are overwhelmed, or some other measure—no single jurisdiction is likely to be capable of responding to such an attack without outside assistance. That assumption is critical to understanding the need for mutual aid agreements and coordinated operations.

Third—and perhaps most important—there are existing emergency response and management capabilities, developed over many years, for responses to natural disasters, disease outbreaks, and accidents. Those capabilities can and should be used as a base for enhancing our domestic capability for response to a terrorist attack. We can strengthen existing capabilities without buying duplicative, cost-prohibitive new capabilities exclusively dedicated to terrorism.

Major Elements of the National Strategy

The national strategy should be geographically and functionally comprehensive. It should address both international and domestic terrorism. The distinction between terrorism outside the borders of the United States and terrorist threats domestically is

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[1] The Office of Management and Budget, *Annual Report to Congress on Combating Terrorism, Including Defense against Weapons of Mass Destruction/Domestic Preparedness and Critical Infrastructure*

eroding. International terrorism crosses borders easily and may directly affect the American homeland. That was evident in the New York World Trade Center bombing in 1993, and more recently in the activities around the turn of the century. The terrorist bombings of the U.S. garrison at Khobar Towers, Saudi Arabia, the two U.S. embassies in East Africa, and the recent USS *Cole* incident, also illustrate the reach of terrorists against U.S. interests and the profound domestic implications they pose.

To be functionally comprehensive, the national strategy should address the full spectrum of the nation's efforts against terrorism: intelligence, deterrence, prevention, investigation, prosecution, preemption, crisis management, and consequence management. Our nation's highest goal must be the deterrence and prevention of terrorism. The United States cannot, however, prevent all terrorist attacks. When deterrence and prevention fail, the nation must respond effectively to terrorism, whether to resolve an ongoing incident, mitigate its consequences, identify the perpetrators, and prosecute or retaliate as appropriate. The national strategy should deal with all aspects of combating terrorism and must carefully weigh their relative importance for the purpose of allocating resources among them.

The national strategy should apply to the nation as a whole, not just the Federal Executive Branch. The Federal government should lead a strategic planning process that involves States and communities as essential and equal partners.

The national strategy must be appropriately resourced, by all levels of government, to provide a reasonable opportunity to achieve its successful implementation. At the Federal level, that will require a closer relationship between the

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Protection, May 18, 2000.

Executive and Legislative Branches. Nationally, that will require better coordination with State and local governments.

Articulating the End State: National Goals

The first step in developing a coherent national strategy is for the Executive Branch to define some meaningful, measurable expression of what it is trying to achieve in combating terrorism. The Federal government's goals have previously been expressed primarily in terms of program execution. Administrative measurements alone do not foster effective management of a national program.

The national strategy must express preparedness goals in terms of an "end state" toward which the program strives. Since there exists no ready-made measurement of a country's preparedness for terrorism, especially domestically, the Executive Branch must develop objective measurements for its program to combat terrorism, to track its progress, to determine priorities and appropriate funding levels, and to know when the desired "end state" has been achieved.

The nation's strategy for combating terrorism requires results-based goals for three reasons. First, the programs need an end-state goal. Elected and appointed officials from Federal, State, and local governments must be able to allocate resources to specific geographic regions according to requirements of that region. Resources should be allocated to achieve that broadest application for all emergency and disaster needs, consistent with preparedness goals. That approach is fundamental to the principles of building on existing systems and to achieving the maximum possible multipurpose capability.

Second, programs for combating terrorism need accountability. Legislators and public officials, especially elected ones, must have some reliable, systematic way of assessing the extent to which their efforts and taxpayers' money are producing effective results. The performance and results of programs for combating terrorism are currently assessed almost solely according to anecdote. The only concrete measure available at the moment is the dispersal of Federal funds—a process measurement that does not achieve effective strategic management.

Third, programs for combating terrorism need clear priorities. It is impossible to set priorities without first defining results-based objectives. The essence of any coherent strategy is a clear statement of priorities that can be translated into specific policy and programmatic initiatives. Priorities are the transmission mechanism that connects ends to means.

Fostering the Means of Strategy: Program Structure and Priorities

Setting priorities is essential in any strategy, but priorities require clear, results-based objectives. With some meaningful sense of objectives, it will be possible to develop coherent priorities and an appropriate set of policy prescriptions. For instance, should the nation seek a different level of preparedness for large urban centers than for rural areas? What should be the relative importance of preparing for conventional terrorism, radiological incidents, chemical weapons, biological weapons, or cyber attacks? Should the nation seek to improve its preparedness more against the types of attacks that are most likely to occur, such as conventional terrorist bombings or the use of industrial chemicals, or for those that are most damaging but less likely to occur, such as nuclear weapons or military-grade chemical or biological weapons? With respect to

biological weapons, which pathogens deserve priority? Should the emphasis be on small-scale contamination attacks as opposed to large-scale aerosol releases of the worst pathogen types, such as anthrax, plague, and smallpox? What is the relative priority for allocating resources to protect critical infrastructure, especially from cyber attacks?

The answers to these and other questions have important implications for the allocation of resources for training, equipment acquisition, exercises, research and development, pharmaceutical stockpiles, vaccination programs, and response plans. A coherent national strategy would provide clarity to the allocation of resources across the full range of possible activities to combat terrorism. To date, these critical resource allocation decisions have been made in an ad hoc manner and without reference to meaningful national goals.

We cannot stress strongly enough that the strategy must be truly national in character—not just Federal. The approach to the *domestic* part of the national strategy should, therefore, be "bottom up," developed in close coordination with local, State, and other Federal entities.

Mr. Chairman, for those and other reasons, we believe that it is time to craft a national strategy for combating terrorism to guide our efforts—one that will give our citizens a level of assurance that we have a good plan for dealing with the issue; one that will provide State and local governments with some direction that will help them make decisions that will contribute to the overall national effort; one that will let our potential adversaries know, in no uncertain terms, how serious we are.

The National Office for Combating Terrorism

To many at the State and local levels, the structure and process at the Federal level for combating terrorism appear uncoordinated, complex, and confusing. Our first report included a graphical depiction of the numerous Federal agencies and offices within those agencies that have responsibilities for combating terrorism. I have provided additional copies of those charts to the Members of the subcommittee as one way of illustrating the level of complexity.

Attempts to create a Federal focal point for coordination with State and local officials—such as the National Domestic Preparedness Office—have been only partially successful. Moreover, many State and local officials believe that Federal programs intended to assist at their levels are often created and implemented without consulting them. Confusion often exists even within the Federal bureaucracy. The current coordination structure does not possess the requisite authority or accountability to make policy changes and to impose the discipline necessary among the numerous Federal agencies involved.

For those and other reasons, we recommended the establishment of a senior level coordination entity in the Executive Office of the President, entitled the "National Office for Combating Terrorism," with the responsibility for developing domestic and international policy and for coordinating the program and budget of the Federal government's activities for combating terrorism. The title of the entity is not as important as its responsibilities, the functions that it will be called upon to perform, and the structure and authorities that we believe, at a minimum, such an entity must have.

Responsibilities and Functions

1. National Strategy. Foremost will be the responsibility to develop the comprehensive national strategy described above. That strategy must be approved by the President and updated annually.

2. Program and Budget. A concurrent responsibility of the National Office for Combating Terrorism will be to work within the Executive Branch and with the Congress to ensure that sufficient resources are allocated to support the execution of the national strategy. The U.S. strategy for deterrence, prevention, preparedness, and response for terrorists acts outside the United States, developed under the leadership of the Department of State, is comprehensive and, for the most part, appropriately resourced. It is on the domestic front that much additional effort and coordination will be required. The Executive should provide comprehensive information to the Congress to consider in the deliberative authorization and appropriations processes. In addition to a comprehensive strategy document, supporting budget information should include a complete description and justification for each program, coupled with current and proposed out-year expenditures.

3. Intelligence Coordination and Analysis. We recommended that the National Office for Combating Terrorism provide coordination and advocacy for both foreign and domestic terrorism-related intelligence activities, including the development of national net assessments of terrorist threats. A critical task will be to develop, in concert with the Intelligence Community—including its Federal law enforcement components—policies and plans for the dissemination of intelligence and other pertinent information on terrorist threats to designated entities at all levels of government—local, State, and Federal.

To oversee that activity, we recommended that an Assistant Director for Intelligence in the National Office direct the intelligence function for Combating Terrorism, who should be "dual-hatted" as the National Intelligence Officer (NIO) for Combating Terrorism at the National Intelligence Council. That Assistant Director/NIO and staff would be responsible for compiling terrorism intelligence products from the various agencies, for providing national-level threat assessments for inclusion in the national strategy, and for producing composite or "fused" products for dissemination to designated Federal, State, and local entities, as appropriate. That person will serve as focal point for developing policy for combating terrorism intelligence matters, keeping the policymaking and operational aspects of intelligence collection and analysis separate. The Assistant Director will also be the logical interface with the intelligence oversight committees of the Congress. It is, in our view, important to have a senior-level position created for this purpose. To assist in this intelligence function, we also recommended the establishment of a "Council to Coordinate Intelligence for Combating Terrorism," to provide strategic direction for intelligence collection and analysis, as well as a clearance mechanism for product dissemination and other related activities. It should consist of the heads of the various Intelligence Community entities and State and local representatives who have been granted appropriate security clearance.

4. Plans Review. We recommended that the National Office for Combating Terrorism be given authority to review State and geographical area strategic plans, and at the request of State entities, review local plans or programs for combating terrorism, for consistency with the national strategy. That review will allow the National Office to identify gaps and deficiencies in Federal programs.

5. Proposals for Change. We recommended that the National Office for Combating Terrorism have authority to propose new Federal programs or changes to existing programs, including Federal statutory or regulatory authority.

6. Domestic Preparedness Programs. The National Office should direct the coordination of Federal programs designed to assist response entities at the local and State levels, especially in the areas of "crisis" and "consequence" planning, training, exercises, and equipment programs for combating terrorism. The national strategy that the National Office should develop—in coordination with State and local stakeholders—must provide strategic direction and priorities for programs and activities in each of these areas.

7. Health and Medical Programs. Much remains to be done in the coordination and enhancement of Federal health and medical programs for combating terrorism and for coordination among public health officials, public and private hospitals, pre-hospital emergency medical service (EMS) entities, and the emergency management communities. The National Office should provide direction for the establishment of national education programs for the health and medical disciplines, for the development of national standards for health and medical response to terrorism, and for clarifying various legal and regulatory authority for health and medical response.

8. Research, Development, Test, and Evaluation (RDT&E), and National Standards. The National Office should have the responsibility for coordinating programs in these two areas. The national strategy should provide direction and priorities for RDT&E for combating terrorism. We believe that the Federal government has primary responsibility for combating terrorism RDT&E. Moreover, we have essentially no nationally

recognized standards in such areas as personal protective equipment, detection equipment, and laboratory protocols and techniques.

9. Clearinghouse Function. We recommended that the National Office for Combating Terrorism serve as the information clearinghouse and central Federal point of contact for State and local entities. It is difficult for local jurisdictions and State agencies, even those with experience in complex Federal programs, to navigate the maze of the Federal structure. The National Office for Combating Terrorism should assume that role and serve as the "one-stop shop" for providing advice and assistance on Federal programs for training, planning, exercises, equipment, reporting, and other information of value to local and State entities.

Structure and Authority

1. Political Accountability and Responsibility. The person designated as the focal point for developing a national strategy and for coordinating Federal programs for combating terrorism must have political accountability and responsibility. That person should be vested with sufficient authority to accomplish the purposes for which the office is created and should be the senior point of contact of the Executive Branch with the Congress. For these reasons, we recommended that the President appoint and the Senate confirm the Director of the National Office for Combating Terrorism, who should serve in a "cabinet-level" position.

2. Program and Budget Authority. The National Office for Combating Terrorism should have sufficient budget authority and programmatic oversight to influence the resource allocation process and ensure program compatibility. That authority should include the responsibility to conduct a full review of Federal agency programs and budgets, to ensure

compliance with the programmatic and funding priorities established in the approved national strategy, and to eliminate conflicts and unnecessary duplication among agencies. That authority should also include a structured certification/decertification process to formally "decertify" all or part of an agency's budget as noncompliant with the national strategy. A decertification would require the agency to revise its budget to make it compliant or, alternatively, to allow the agency head to appeal the decertification decision to the President. This limited authority would not give the Director of the National Office the power to "veto" all or part of any agency's budget, or the authority to redirect funds within an agency or among agencies

3. Multidisciplinary Staffing. The National Office for Combating Terrorism should have full-time multidisciplinary expertise, with representation from each of the Federal agencies with responsibilities for combating terrorism, and with resident State and local expertise. For programs with a domestic focus, the National Office for Combating Terrorism must have sufficient resources to employ persons with State and local expertise and from each of the response disciplines.

4. No Operational Control. While the National Office for Combating Terrorism should be vested with specific program coordination and budget authority, it is not our intention that it have "operational" control over various Federal agency activities. We recommended that the National Office for Combating Terrorism not be "in charge" of response operations in the event of a terrorist attack. The National Office should provide a coordinating function and disseminate intelligence and other critical information. Mr. Chairman, I should note at this point that the word "czar" is inappropriate to describe this office. The Director of this office should not be empowered to order any Federal agency

to undertake any specific activity. With few exceptions, we recommended that existing programs remain in the agencies in which they currently reside. One notable exception will be the functions of the National Domestic Preparedness Office (NDPO), currently housed in the Federal Bureau of Investigation. The new office should subsume all of the *intended* functions of the NDPO—coordination, information clearinghouse, advice and assistance to State and local entities. The National Office for Combating Terrorism should also assume many of the interagency coordination functions currently managed by the National Security Council office of the National Coordinator for Security, Counter-terrorism, and Infrastructure Protection. For example, the responsibility for coordination of certain functions related to combating terrorism—Assistance to State and Local Authorities, Research and Development, Contingency Planning and Exercises, and Legislative and Legal Issues, among others—will devolve to the National Office for Combating Terrorism. We also recommended that the National Office for Combating Terrorism absorb certain entities as adjuncts to its office, such as the Interagency Board for Equipment Standardization and InterOperability.

5. Advisory Board for Domestic Programs. To assist in providing broad strategic guidance and to serve as part of the approval process for the domestic portion of strategy, plans, and programs of the National Office for Combating Terrorism, we recommended the establishment of a national "Advisory Board for Domestic Programs." That Board should include one or more sitting State governors, mayors of several U.S. cities, the heads of several major professional organizations, and a few nationally recognized terrorism subject matter experts, as well as senior officials from relevant Federal agencies. The President and the Congress should each appoint members to this board.

Alternatives Considered

Mr. Chairman, the members of the Advisory Panel considered a number of alternatives to our recommendation for a National Office of the type that I have described, before coming to the unanimous conclusion that the path we chose was by far the best of the alternatives. Among others considered by the panel was a new Deputy Attorney General, an "enhanced" Federal Emergency Management Agency, the possibility of some other Federal agency, or simply trying to improve upon the *status quo*. I will be pleased to answer questions from Members about our rationale for discounting those alternatives.

Summary

Mr. Chairman and Members of the subcommittee, the members of the Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction are convinced that essence of these two recommendations are essential to the national effort to combat terrorism: the promulgation of a truly national strategy, and the appointment of a senior person at the Federal level who has the responsibility—importantly, who can be *seen* as having the responsibility—for coordinating our national efforts. Our recommendations in that regard are as firmly unanimous as we believe that they are reasonable and specific.

This is not a partisan political issue. It is one that goes to the very heart of public safety and the American way of life. We have members on our panel who identify with each of the major national political parties, and represent views across the entire political spectrum. We urge Members on both sides of the aisle, in both Houses of the Congress, to work with the Executive Branch to bring some order to this process and to provide some national leadership and direction to address this critical issue.

Thank you again for this opportunity.

Mr. GILMAN. I now call on Frank Cilluffo, chairman, Committee on Combatting Chemical, Biological, Radiological, and Nuclear Terrorism of the Homeland Defense Initiative Center for Strategic and International Studies.

Please proceed.

Mr. CILLUFFO. See, even think tanks have an alphabet soup of acronyms following them.

Mr. GILMAN. That's quite a lengthy one.

Mr. CILLUFFO. Mr. Chairman, distinguished Members, I appreciate the opportunity to appear before you today on a matter of critical importance to our Nation's security. I want to echo the previous panelists and commend you for your foresight in seizing the occasion to identify gaps and shortfalls in our current policies, practices, procedures, and programs to combat terrorism.

In considering how to best proceed, we should not be afraid to wipe the slate clean and review the matter anew to thoroughly examine the myriad of Presidential decision directives and policies with a view toward assessing what has worked to date, what has not, and what has not been addressed at all. This, in turn, lays the groundwork to proceed to the next step of crafting an effective national counterterrorism strategy, a theme we've obviously heard a lot of today.

My contribution to this hearing will focus predominantly on terrorism involving chemical, biological, radiological, and nuclear weapons, or CBRN terrorism, and the threat to the homeland, but, by and large, I think the comments will be relevant—at least I hope—to counterterrorism more generally.

During our deliberations we concluded that, although Federal, State, and local governments have made impressive strides to prepare for terrorism—specifically, terrorism using CBRN weapons—the whole remains far less than the sum of the parts. Let me briefly explain.

The United States is now at a crossroads. While credit must be given where credit is due, the time has come for cold-eyed assessment and evaluation and the recognition that we presently do not have but are in need of a comprehensive strategy for countering the threat of terrorism, and, I might add, the larger dimensions of homeland defense.

As things presently stand, however, there is neither assurance that we have a clear capital investment strategy nor a clearly defined end state, let alone a sense of the requisite objectives to reach this goal.

Short of a crystal ball—and I do think it is fair to say that, since the end of the cold war, political forecasting has made astrology look respectable—but, short of a crystal ball, there is no way to predict with any certainty the threat to the homeland in the short term or the long term, though it is widely accepted that unmatched U.S. cultural, diplomatic, economic, and military power will likely cause America's adversaries to favor asymmetric attacks in order to offset out strengths and exploit our weaknesses.

Against this background, military superiority, in itself, is no longer sufficient to ensure our Nation's safety. Instead, we need to further, by broadening our concept of national security so as to encompass CBRN counterterrorism.

Make no mistakes, though. The dimension of the challenge is enormous. The threat of CBRN terrorism by States and non-State actors presents unprecedented challenges to American government and society, as a whole. Notably, no single Federal agency owns the strategic mission completely, nor do I think that's even a possibility. For the moment, however, many agencies are acting independently in what needs to be part of a whole.

Importantly, a coherent response is not merely a goal that is out of reach. To the contrary, we now possess the experience and the knowledge for ascertaining at least the contours of a comprehensive strategy, a comprehensive response, and a future year program and budget to implement that strategy.

It bears mentioning that strategy must be a precursor to budget. Now there's a concept, huh? Of course, none of this is to say that we have all the answers. Quite the contrary. Indeed, our recommendations represent just one possible course of action among many—and you've heard some others today—and it is for you, Congress, and the executive branch to decide precisely which of these avenues or combination thereof should be pursued.

In any case, my vision of a comprehensive counterterrorism strategy would incorporate a full spectrum of activities, from prevention and deterrence to retribution and prosecution to domestic response preparedness. All too often, these elements of strategy are treated in isolation.

Such a strategy must also incorporate the marshaling of domestic resources and the engagement of international allies and assets, and it requires monitoring and measuring the effectiveness or benchmarking of the many programs that implement the strategy so as to lead to common standards, practices, and procedures.

In our report on CBRN terrorism, we set out a roadmap of near-term and long-term priorities for senior Federal Government officials to marshal Federal, State, local, private sector, and NGO resources to better counter the threat.

With your patience, I will elaborate upon the highlights of our blueprint, beginning with a clear outline of the structure of our suggested strategy.

In our review, a complete CGRN counterterrorism strategy involves both preventing an attack from occurring—our first priority should always be to get there before the bomb goes off—which includes deterrents, nonproliferation, counterproliferation and preemption, and, second, preparing Federal, State, and local capabilities to respond to an actual attack.

In short, our counterterrorism capabilities and organizations must be strengthened, streamlined, and then synergized so that effective prevention will enhance domestic response preparedness and vice versa.

On the prevention side, a multi-faceted strategy is in order. The common thread underpinning all of these, as we've heard earlier today, is the need for a first-rate intelligence capability. More specifically, the breadth, depth, and uncertainty of the terrorist threat demands significant investment, coordination, and retooling of the intelligence process across the board for the pre-attack, the warning, trans-attack, possible preemption, and post-attack—"who done it" phases.

In the time that remains, I want to focus on issues of organization and domestic response preparedness. In my view, effective organization is the concept that not only lies at the heart of a comprehensive strategy but also underpins it, from start, from prevention, to finish—consequence management response.

We must ask ourselves whether we are properly organized to meet the CBRN terrorism challenge. This requires tackling very fundamental assumptions on national security. Are our existing structures, policies, and institutions adequate? CBRN terrorism is inherently a cross-cutting issue, but to date the Government has organized long vertical lines within their respective stovepipes.

Our report treats the wide-ranging question of organization by breaking it down into three different sub-themes, and you saw some of the comparison and contrast between the NSSG and the Gilmore report here. Ours is actually a mishmash of both.

Effective organization at the Federal level, top down; effective organization at the State and local levels and the Federal interface, the bottom up; and effective organization of the medical and public health communities, as you alluded to earlier, Mr. Chairman.

I thought I'd make some very brief remarks on each of these, in turn.

As a starting point, we've heard to death that there is a need for better coordination of the 40-some Federal organizations that have a CT—counterterrorism—role. To ensure that departmental an agency programs, when amalgamated, constitute an integrated and coherent plan, we need a high level official to serve as what we refer to as a "belly button" for our overall efforts, and that position needs to marry up three criteria, and we keep hearing the same criteria description is same, some of our prescriptions are different, but authority, accountability, and resources.

One way to achieve this end and the course that we have suggested is to establish a Senate-confirmed position of assistant to the President or Vice President for combating terrorism. The assistant for combating terrorism would be responsible for issuing an annual national counterterrorism strategy and plan. This strategy would serve as the basis to recommend the overall level of counterterrorism spending and how that money should be allocated among the various departments and agencies of the Federal Government with CT responsibilities.

Remember the golden rule—he or she with the gold rules.

To work, the assistant must have some sway over departmental and agency spending. After all, policy without resources is rhetoric. Accordingly, we recommend the assistant be granted limited direction over department and agency budgets in the form of certification and pass-back authority. That's not to get it mixed up with a czar. Obviously, a czar needs Cossacks, and I don't know too many of those around. We have too many little czars. But we do see the need to pull that away from the National Security Council, keep it in obviously the Executive Office of the President or Vice President, and not get it confused with operations. It should have no operational responsibility, period.

Let me make two very brief points on lead Federal agency. First, we need FEMA to assume the lead role in domestic response preparedness. We must capitalize FEMA with the personnel, as well

as administrative and logistical support and assign FEMA the training mission for consequence management. It makes little sense to "hive off" training for consequence management from the very organization that would handle consequence management. Now that rests at Department of Justice. Moreover, FEMA is already well-integrated into State and local activity in the context of natural disasters.

While FEMA has been revitalized and has distinguished itself when responding to a series of natural disasters recently, the same cannot be said of its national security missions. Put bluntly, it has become the ATM machine for chasing hurricanes.

An additional point I wish to make concerns the role of Department of Defense. Obviously, this is a subject of much debate. Realistically, though, only Department of Defense even comes close to having the manpower and resources necessary for high-consequence yet low-likelihood events such as catastrophic CBRN terrorism on the U.S. homeland. But even the mere specter of suggestion of a lead military role raises vocal and widespread opposition on the basis of civil liberties.

That being said, however, it is wholly appropriate for DOD to maintain a major role in support of civilian authorities, though we must grant the department the resources necessary to assume this responsibility.

Perhaps it is just me, but I find it difficult to believe that, in a time of genuine crisis, the American people would take issue with what color uniform the men and women who are saving lives happen to be wearing.

Even more starkly, the President should never be in a position of having to step up to the podium and say to the American people, look them in the eye, "We could have, should have, would have, but didn't because of." Explaining to the American people the inside-the-beltway debates just will not stand up in such a crisis.

Moving now very briefly to State and local, obviously we need an effort——

Mr. SHAYS [resuming Chair]. I'm going to ask, could you finish up in a minute?

Mr. CILLUFFO. Sure.

Mr. SHAYS. OK.

Mr. CILLUFFO. On the State and local side, we see the need for more resources to make their way to State and local for implementation and execution. Obviously, the threat is perceived to be low and the cost exceedingly high that we need to be able to work toward nationwide baselines. And we need to be able to dictate that we have an optimal transition from an ordinary event—responding to a heart attack—to an extraordinary event.

I think that the value of to be and exercising must not be underestimated. Hopefully, it will be the closest we get to the real thing, and, if not, it allows us to make some of the big mistakes on the practice fields and not on the battlefield, which in this context could be Main Street, U.S.A.

I'll skip the public health section, but I want to close very briefly on a personal note. Last year, on April 19th, I had the privilege to attend the dedication of the Oklahoma City National Memorial on the 5-year anniversary of the attack on the Alfred P. Murrah

Building. Just last week I was again in Oklahoma City and had the opportunity to visit the Memorial Center's Interactive Museum. I highly recommend visiting the museum. It was profoundly moving. I was reminded that America is not immune from terrorism and that if such an attack can occur in America's heartland, it can occur anywhere. I was reminded that the consequences of such acts of violence are very real. In this case 168 innocent lives were lost and many, many more affected.

I was reminded that those first on the scene of such a tragedy are ordinary citizens, followed up by local emergency responders such as fire fighters, medics, and police officers, all of whom were overwhelmed except for the desire to save lives.

I was touched by the experience, of course, but, most of all, I left proud—proud of Oklahoma's elected officials; proud of the survivors; proud of the many thousands of men, women, and children who lost family members, friends, and neighbors; and, perhaps most importantly, I left proud to be an American, for what I saw was the community strength and resilience. I believe this indomitable spirit, the will of the people to return, to rebuild, to heal, and to prosper best represents America's attitude toward terrorism, and I'm confident that, with these hearings and all of our reports, that the powers that be in the executive branch and Congress will develop, implement, and sustain such a strategy.

Thank you, Mr. Chairman.

Mr. SHAYS. Thank you, Mr. Cilluffo.

[The prepared statement of Mr. Cilluffo follows:]

Center for Strategic & International Studies
Washington, DC

Combating Terrorism: In Search of a National Strategy

Statement of Frank J. Cilluffo
Chairman, Committee on Combating Chemical, Biological, Radiological and Nuclear Terrorism,
Homeland Defense Initiative
Center for Strategic & International Studies
to the
Subcommittee on National Security, Veterans Affairs and International Relations
U.S. House Committee on Government Reform

Chairman Shays, distinguished members of the committee, I appreciate the opportunity to appear before you today on a matter of critical importance to our nation's security, namely: the formulation of a national strategy to combat terrorism. In holding hearings on this issue, the Subcommittee – and indeed Congress as a whole – should be commended for its foresight in seizing the occasion to identify gaps and shortfalls in our current policies, practices, procedures, and programs. It is only with such an analysis in mind – that is, one that considers and appreciates what has worked, what has not worked, and what has not been adequately addressed – that we can go on to the next step of crafting an effective national counterterrorism strategy.

In considering how best to proceed on this front, we should not be afraid to wipe the slate clean and review the matter afresh. My contribution to this hearing will focus specifically on terrorism using chemical, biological, radiological and nuclear (CBRN) weapons – though, by and large, my comments will also be relevant to counterterrorism more generally.

When critically evaluating our current state of preparedness, it is important to adopt a balanced viewpoint – that is, a perspective which appreciates both how we far we have come already and just how far we have yet to go. In my view, it seems fair to conclude two things in this regard. First, federal, state, and local governments have made impressive strides to prepare for terrorism – specifically, terrorism using CBRN weapons. Second, and more unfortunately, the whole remains less than the sum of the parts. Let me explain.

The United States is now at a crossroads. While credit must be given where it is due, the time has come for cold-eyed assessment and evaluation, and the recognition that we do not presently have – but are in genuine need of – a comprehensive strategy for countering the threat of terrorism and the larger challenges of homeland defense. As things

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presently stand, however, there is neither assurance (via benchmarking) that we have a clear capital investment strategy nor a clearly defined end-state, let alone a clear sense of the requisite objectives to reach this goal. More generally, and even worse, without a national plan, we leave ourselves at risk.

Although there is no way to predict with certainty the threat to the homeland in the short-term or the long-term, it is widely accepted that unmatched U.S. power (cultural, diplomatic, economic and military) is likely to cause America's adversaries to favor "asymmetric" attacks against undefended targets over direct conventional military confrontations. Indeed, in a recent address to our NATO allies, Defense Secretary Rumsfeld specifically raised the issue of the proliferation of unconventional weapons and technologies to both state and non-state actors, and also flagged our concomitant vulnerability.

Against this background, military superiority in itself is no longer sufficient to ensure our safety. Instead, we need to go further by broadening our concept of national security planning so as to encompass CBRN counterterrorism.

After several years of activity in this arena, progress has been uneven. On the one hand, the past handful of years can be summed up in the phrase "long on nouns but short on verbs." On the other hand, there is still a substantial amount of good news that deserves to be told and built upon.

But pockets of real success, however significant, are not enough. We need to achieve progress across the board and in synergistic fashion, so that positive developments in one area feed further success – exponential, not just incremental success – in another.

Make no mistake, though. The dimensions of the challenge are enormous. The threat of CBRN terrorism by states and non-state actors presents unprecedented planning challenges to American government and society. Notably, no single federal agency owns this strategic mission completely. For the moment, however, many agencies are acting independently in what needs to be a coherent response.

And, importantly, a coherent response is not merely a goal that is out of reach. To the contrary, we now possess the requisite experience and knowledge for ascertaining the contours of a comprehensive strategy, a coherent response, and a future year program and budget to implement the strategy. It bears emphasizing here that strategy must be a precursor to budget. Put differently, dollar figures should only be attached to specific items after the rationale for those items has been carefully thought out as part of a larger, overarching framework for action.

Of course, none of this is to say that we have all the answers. Quite the opposite in fact. Indeed, our recommendations represent just one possible course of action among many, and it is for you, Congress, and the executive branch to decide jointly precisely which of these avenues, or combination thereof, should be pursued.

I would expect – and even hope – that my fellow witnesses (and the insights from the various commissions they represent) would differ with me when it comes to offering prescriptions in this area. After all, the real measure of success here, at least in my eyes, is whether our work has furthered public debate and raised questions that urgently need addressing. And that is something that I think we, taken collectively, have done.

In any case, my vision of a comprehensive counterterrorism strategy would incorporate a full spectrum of activities, from prevention and deterrence to retribution and prosecution to domestic response preparedness. All too often, these elements of strategy are treated in isolation. Such a strategy must incorporate both the marshaling of domestic resources and the engagement of international allies and assets. And it requires monitoring and measuring the effectiveness ("benchmarking") of the many programs that implement this strategy so as to lead to common standards, practices, and procedures.

In our (CSIS) report on CBRN terrorism, we set out a roadmap of near-term and long-term priorities for senior federal officials to marshal federal, state, local, private sector, and non-governmental resources in order to counter the terrorist threat. Our findings and recommendations speak not only to "the usual suspects" at each level of government but also to new actors, both public and private, that have taken on added salience in the current security environment. With your patience, I will elaborate upon the highlights of our blueprint, beginning with a clearer outline of the structure of our suggested national strategy.

In our view, a complete CBRN counterterrorism strategy involves both (1) preventing an attack from occurring (our first priority should always be to get there before the bomb goes off), which includes deterrence, non-proliferation, counter-proliferation and preemption, and (2) preparing federal, state, local, private sector and non-governmental capabilities to respond to an actual attack. In short, our counterterrorism capabilities and organizations must be strengthened, streamlined, and then synergized so that effective prevention will enhance domestic response preparedness and vice versa.

On the prevention side, a multifaceted strategy (encompassing the constituent elements just enumerated) is in order. The common thread underpinning all of these, however, is the need for a first-rate intelligence capability. More specifically, the breadth, depth and uncertainty of the terrorist threat demands significant investment, coordination and re-tooling of the intelligence process across the board for the pre-attack (warning), trans-attack (preemption) and post-attack ("whodunit") phases.

Our list of recommendations on the intelligence side is extensive. I will not reiterate that list here, though it should be noted that its scope is broad, including everything from enhancing our all-source intelligence and analytical capabilities to "tapping" the scientific and biomedical research communities for their applicable expertise.

Several of the steps that we recommend with a view towards strengthening the intelligence community may require significant changes to intelligence programs and budgets. And, since current intelligence needs exceed available dollars, investments in

this area will have to be prioritized. While our report does not attach dollar figures to its recommendations, we do distinguish between first-, second-, and third-order priorities, with the implementation of first-order items being called for immediately (within 180 days).

Before turning to the response preparedness aspect of the equation, two further components of prevention merit comment, namely, non-proliferation and counter-proliferation. We need to think about ways to reassess arms control measures to limit proliferation of CBRN weapons and material. This cannot be monitored like a START agreement, but the United States should take the lead in building international support for multinational activities, while signaling the right to take action, including military actions, against violators.

In so doing, though, it must be kept in mind that traditional arms control measures – which assume large state efforts with detectable weapons production programs – may influence behavior but will be more effective vis-à-vis state-sponsors of terrorism than non-state actors. However, by focusing on state actors, we may also capture non-state actors swimming in their wake.

In the space that remains, I want to focus on domestic response preparedness because that is where the matter of effective organization figures most prominently. And, in my view, effective organization is the concept that not only lies at the very heart of a comprehensive national counterterrorism strategy but also underpins it – from start (meaning pre-event preventive, preemptive and preparedness measures), to finish (meaning post-event crisis and consequence management, and response).

In so far as domestic response preparedness is concerned, the traditional distinction currently operative – which draws an artificial line between crisis management and consequence management – is unworkable in practice. In fact, crisis and consequence management will occur simultaneously, and there will be no hand-off of the baton from the crisis managers (responsible for immediate response, and apprehension of perpetrators), to the consequence managers (responsible for treating mass casualties and restoring essential services). (The caveat, of course, is if we receive advance warning of an event or if the event is "fixed" (such as the presidential inauguration). In these instances, it will indeed be possible to draw a bright line between crisis and consequence management).

I think the "line" was originally intended only to bound certain generic types of activities, for example, crime scene evidence as opposed to searching for survivors. Sadly, it has been bent and distorted over time to support one or another agency's fight for leadership.

This generally artificial distinction, however, distracts us from the more important underlying question of whether we are properly organized in terms of domestic response preparedness and writ large (in terms of meeting the CBRN terrorism challenge as a whole). Are our existing structures, policies, and institutions adequate? CBRN terrorism is inherently a cross-cutting issue, but, to date, the government is organized vertically.

Our report treats the critical – and wide-ranging – question of organization by breaking it down into three different sub-themes: (1) effective organization at the federal level; (2) effective organization at the state and local levels, and the federal interface; and (3) effective organization of the medical, public health, and human services communities. Let me deal with each of these in turn.

First, and in some ways, most importantly, the federal government must lead by example by organizing itself effectively to meet the terrorist challenge. But what does this mean? While I can offer only a barebones outline in the allotted space, such a "skeleton" should still prove useful as a basis for discussion on how to proceed.

As a starting point, effective CBRN counterterrorism requires the coordinated participation of many federal agencies. To ensure that departmental and agency programs, when amalgamated, constitute an integrated and coherent plan, we need a high-level official to serve as the epicenter or "belly button" for our efforts. And that position needs to marry together three criteria: authority, accountability and resources.

One way to achieve this end, and the course that we have suggested, is to establish a Senate-confirmed position of Assistant to the President or Vice-President for Combating Terrorism. The Assistant for Combating Terrorism would be responsible for issuing an annual national counterterrorism strategy and plan. This strategy would serve as the basis to recommend the overall level of counterterrorism spending and how that money should be allocated among the various departments and agencies of the federal government with counterterrorism responsibilities. To be explicit, it is the budgetary role of the Assistant that, at one and the same time, gives the position "teeth" and generates the desirability of, if not the outright need for, Senate-confirmation. Put another way, unless we obey the golden rule (he or she with the gold rules), the Assistant (the counterterrorism coordinator) will not have sway over departmental and agency policies.

Accordingly, we recommend that the Assistant be granted limited direction over departments' and agencies' budgets in the form of certification and passback authority. In practice, this means that the Assistant would possess the authority to certify future-year plans, program budgets and annual budgets. And, where budgetary requests fail to adhere to the President's overall policy and budgetary agenda, the requests would be passed back to departments and agencies for revision. Correlatively, we suggest that the Assistant be given authority to decrement up to ten percent of any "counterterrorism-support" program that does not meet the requirements of the nation's counterterrorism plan.

In conjunction with the above, each federal department and agency with a counterterrorism mission should develop five-year plans and long-term research, development, testing, and evaluation (RDT&E) plans. These would then be coordinated by the Assistant to the President or Vice-President, who should support a holistic effort to use technology to improve domestic response preparedness and tie RDT&E efforts to practical deployment plans.

Before turning to the congressional side of the equation, some comment upon the lead federal agency issue is needed – though I will confine myself to only two points here. First, the Federal Emergency Management Agency (FEMA) has not been resourced to accomplish its mission as the lead agency for consequence management. Long neglected, FEMA has recently been revitalized and has distinguished itself when responding to a series of natural disasters affecting the continental United States. However, FEMA still lacks the administrative apparatus, logistical tail, and personnel necessary to take a lead role in domestic terrorism response.

Against this background, two steps should be taken. First, we need to empower FEMA. Keeping in mind that FEMA is already well integrated into activity at the state and local levels in the context of natural disasters, we should fully exploit and build on that pre-existing foundation so that FEMA is in a position to credibly assume the lead role in domestic response preparedness. With the latter aim in mind, it will not, of course, be enough simply to draw on channels and capabilities that are already in place. On the contrary, this will have to be accompanied by capitalization of FEMA, including in the form of personnel as well as administrative and logistical support.

Second, and relatedly, FEMA should be assigned the training mission for consequence management. As things presently stand, however, it is the Justice Department (and, before it, the Defense Department) that has been charged with the task. Yet, it makes little sense to hive off training for consequence management with the state and local levels from the very organization that would handle consequence management.

An additional point that I wish to make on the lead federal agency issue concerns the role of the Department of Defense (DOD). DOD's role in domestic preparedness for terrorism involving CBRN weapons has been the subject of much debate. The debate arises due to the concern that only DOD possesses the resources necessary (including transportation assets, basic supplies, communications facilities and so on) to manage the consequences of a CBRN terrorist attack. But, even the mere specter or suggestion of a lead military role raises vocal and widespread opposition on the basis of civil liberties and the damage that could potentially be caused to them if DOD were assigned the lead.

Realistically, only DOD even comes close to having the manpower and resources necessary for high-consequence (yet low-likelihood) events such as a catastrophic CBRN terrorist attack on the homeland. However, this is very different from saying that DOD should always be in charge of domestic response efforts. To the contrary, DOD should be restricted to a supporting role in domestic crises. There are several reasons for this. I will not enumerate all of them but it does bear noting that, beyond intent, perceptions are important; and the clear perception, as well as the reality, of civilian control of the military should be preserved. Indeed, this is particularly true in times of domestic crisis.

That being said, however, it is wholly appropriate for the DOD to maintain a supporting role (i.e., a role in support of the lead federal agency) in domestic crises – though we must grant the Department the resources necessary to assume this responsibility. (If the

President decides to turn to the cupboard, we most certainly do not want him to find that it is bare). Perhaps it is just me, but I find it difficult to believe that, in a time of genuine crisis, the American people would take issue with what color uniform the men and women who are saving lives happen to be wearing. Even more starkly, the President should never be in the position of having to step up to the podium and say to the American people what he could have, should have, or would have done – but did not because of.... Explaining to the American people the inside the beltway debates just will not stand up if such an event occurs.

Turning now to Congress, the broad span of counterterrorism programs across federal departments and agencies is mirrored in the broad span of authority to review counterterrorism programs across a host of Congressional committees and subcommittees. Without coordination between these bodies, Members may not know how their votes on a particular budgetary item or policy will affect the overall counterterrorism program.

To remedy this, we recommend the creation of a congressional counterterrorism working group. This group should be chaired and vice-chaired by Members of the majority and minority parties, respectively, and should include senior staff from the various authorization and appropriation committees with jurisdiction over federal agencies concerned with terrorism, crisis and consequence management, and homeland defense. By means of a monthly report, the working group would keep the relevant committees apprised of ongoing legislative initiatives and funding issues in Congress.

Finally, on the international front, and as part of a comprehensive national strategy, we should seek to fortify our own defense by strengthening the consequence management capabilities of our partners worldwide. This should occur through the Department of State's Coordinator for Counterterrorism, who manages the Foreign Emergency Support Team (FEST). The United States Army Medical Research Institute of Infectious Diseases (USAMRIID) and the Centers for Disease Control and Prevention (CDC) should be operationally linked to this capacity in the case of bioterrorism and infectious disease emergencies.

Moving now to the state and local levels, efforts to develop a unified and effective domestic response capability are complicated by the fact that emergency responders – who will be first on the scene of a "no warning" event – are state and local (not federal) personnel. The myriad state and local jurisdictions result in "a crazy-quilt" of doctrine, legal authority, equipment, and training for emergency responders. Consider, for example, that there are an estimated 32,000 fire departments across the United States.

Furthermore, for each local and even state jurisdiction (except for prominent targets such as New York City and Washington, D.C.), the probability of an attack in that jurisdiction is perceived to be so low and the cost of training and equipping emergency responders so high that many regions may not be prepared for a high-end terrorist attack involving CBRN weapons. Indeed, federal, state, and local exercises have revealed serious deficiencies in preparedness, including severe lack of coordination.

Yet, if a terrorist event occurs, state and local emergency personnel (police, firefighters, medics) will be the initial responders and time will be of the essence in turning victims into patients. For this reason, state and local governments must continue to develop and expand their capabilities to respond to a terrorist attack, and more resources must reach the state and local level for management and execution. At the same time, however, limited resources dictate that there must be optimal transition from "ordinary" (e.g., heart attacks) to "extraordinary" events.

More broadly, federal, state, and local governments must allocate between and among one another, responsibilities and resources for domestic preparedness. Equally, federal, state, and local governments must also make a concerted effort to ensure the harmonization and interoperability of equipment and incident command structures.

Let me be clear: nothing short of the very essence of federalism is at stake here. Without working relationships of trust and mutual confidence between and among all of the actors that are key to our counterterrorism effort, our national strategy to prevent and prepare for terrorism will be defeated. We must, therefore, build bridges – not only between federal authorities and state and local officials (what we have termed "the federal interface") but also between federal entities, as well as from one state to another.

How best to construct those bridges is, of course, the subject of much debate. A good start, however, would consist, in part, of the following. In addition to expanding training and exercising of state and local emergency responders, we should create a central clearinghouse to synthesize lessons learned from exercises. Doing so, would permit better allocation/appropriation of resources, and would facilitate the emergence nationwide of (common) best practices.

As a corollary, and with a view to formulating and implementing national standards and baselines, we should develop matrices for judging the effectiveness of training (no metric currently exists), and we should strive to make exercises more realistic, robust, and useful (e.g., increase the number of "no-notice" exercises). The value of training and exercising must not be underestimated. Hopefully, it will be the closest we get to the real thing. And if not, it allows us to make the big mistakes on the practice field and not on Main Street, USA.

Successful "bridge-building" requires combining both a bottom-up and a top-down perspective. On the one hand, and for (a bottom-up) example, state and local emergency responders need to have a seat at the intergovernmental table so as to ensure seamless coordination between state and local emergency personnel and later-arriving federal assets. On the other hand, and as a further (top-down) example, federal expertise and capabilities – particularly that which resides in the Department of Defense – are vital and should be shared. Further to this point, the Defense Department has traditionally provided assistance to federal, state, and local officials in neutralizing, dismantling, and disposing of explosive ordinance, as well as radiological, biological, and chemical materials.

Bridge-building also involves reaching out to relative newcomers to the national security field – in particular, the medical, public health, and human services communities – who need to be integrated into our counterterrorist effort and our (comprehensive) national strategy. These actors are especially critical to bioterrorism preparedness as they would play a prominent role in detection and containment of such an event. Here again, however, the need for effective organization stands in marked contrast to the present state of affairs, which is sub-optimal at best.

Put bluntly, the biomedical, public health, and human services communities are under-equipped for a biological attack and for infectious disease in general. Indeed, the core capacity for public health and medical care needs to be greatly enhanced with respect to detection and treatment of infectious disease. Accordingly, our recommendations on the public health/medical side read like a veritable "laundry list."

Even without reiterating our full complement of suggestions, the extensive and sweeping character of what is needed is evident in but a partial list: capitalize the public health structure; develop a national bioterrorism surveillance capacity; develop rapid and more reliable diagnostic capabilities and systems; develop a comprehensive strategy for assuring surge capacity for healthcare; streamline national pharmaceutical stockpiling efforts; and increase research and development for new pharmaceuticals, vaccines and antidotes.

To these (and other) ends, the biomedical, public health and human services communities must work in greater partnership with each other – and must coordinate more effectively with the larger national security community. Instead, however, we currently have a series of "disconnects."

Within the federal government alone, for instance, we have yet to develop (for counterterrorist purposes) smooth channels of inter-agency and intra-agency coordination and cooperation across and within federal agencies that have worked little together in the past (such as the intelligence community and the Departments of Defense, Justice, Health and Human Services, Agriculture, and Energy).

Further, and with specific regard to the private sector, the expertise of the commercial pharmaceutical and biotechnology sectors has yet to be genuinely leveraged. This situation must change, and new funding strategies must be explored to "incentivize" engagement of the private sector as a whole in the task of preparedness planning and capability-building.

It is plain that the challenges that we face are great. But I am confident that we, as a nation, are up to the task. Let me close, now, on a more personal note.

Last year, on 19 April, I had the privilege to attend the dedication of the Oklahoma City National Memorial on the five-year anniversary of the attack on the Alfred P. Murrah Building. Just last week, I was in Oklahoma City and had the opportunity to visit the

National Memorial Center, an interactive museum, depicting the story of the largest terrorist attack on U.S. soil. I highly recommend visiting the museum, it was profoundly moving. I was reminded that America is not immune from terrorism and that, if such an act of violence can occur in America's heartland, it can occur anywhere. I was reminded that the consequences of such acts of violence are very real -- in this case 168 innocent lives were lost, and many many more affected. I was reminded that those first on the scene of such a tragedy are "ordinary" citizens, followed up by local emergency responders such as firemen, EMTs, and policemen, all of whom are overwhelmed – except for the desire to save lives.

I was touched by the experience, of course – but, most of all, I left proud. Proud of Oklahoma's elected officials, proud of the survivors, proud of the many thousands of men, women, and children who lost family members, friends, and neighbors. And perhaps most importantly, I left proud to be an American. For, what I saw was the community's strength and resilience. I believe this indomitable spirit; this refusal to be cowed; the will of the people to return, to rebuild, to heal, and to prosper best represents America's attitude towards terrorism.

Put differently, at the end of the day, it all comes down to leadership. And policy without resources is merely rhetoric. But, if the President and Congress set their sights on the careful crafting and comprehensive implementation of a national counterterrorism strategy, it will happen. However, this process of marshaling our wherewithal so as to turn concepts into capabilities will require not only vision but also political will.

Despite the magnitude of the challenge, there is no doubt that we can rise to it. Undoubtedly, this hearing represents a forceful and important step in the direction of a national plan. And it is my hope that our report will provide President Bush and Congress with some of the critical insights necessary to execute a comprehensive counterterrorism plan. Developing, implementing, and sustaining such a strategy and plan must be one of the highest priorities for U.S. national security.

Thank you for the opportunity to share my thoughts with you today. I would be pleased to try to answer any questions you may have.

Mr. SHAYS. I'm going to recognize my colleague from New York, but first let me put in the record, Dr. Hoffman requested the executive summary of the RAND Report, Strategy Framework for Countering Terrorism and Insurgency, be placed in the record, and without objection we will be happy to do that.

Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. Chairman, since I arrived late, I'd like to introduce into the record at this point in the record or the appropriate place my opening statement.

Mr. SHAYS. That will be done without objection.

Mr. GILMAN. Thank you, Mr. Chairman.

I'd like to address the entire panel with one question. You all had focused on the need for better coordination, avoid the fragmentation, put someone in charge, the need for a sound, effective, coordinated program. What has prevented us from doing that? We go back to the Gilmore Commission, the Attorney General's report on the 5-year interagency terrorism, technology crime plan. All of these have focused on the same conclusions—that we need to have a central agency, we need to have coordination, we need to get rid of the fragmentation. What has prevented us from doing that over these years? I address that to all of the panelists.

General CLAPPER. I think, sir, that it has been somewhat of a function of perhaps inertia, unwillingness, reluctance to step up to the recognition of at least a potential threat here to reposture.

There is the issue, I suppose, of giving up—the concern about giving up turf, jurisdiction, and to make do with sort of the interagency coordination processes which basically diffuse responsibility and accountability.

There has been, I think, a reluctance to step up to the notion of perhaps having to give up some authority or turf in the interest of having someone who is clearly in charge and who is accountable.

Mr. GILMAN. Thank you, General Clapper.

Dr. Hoffman, do you have some comment?

Mr. HOFFMAN. It is something of a chicken and the egg question, but I think it is the absence of a strategy that has deprived us of a focus that would enable us to marshal our efforts and to focus on how to address the threat through organization. I think the trouble is it is much too fragmented and piecemeal, and it represents too many different things to too many different agencies.

Mr. GILMAN. Dr. Hoffman, we have these reports—the U.S. Commission on National Security, Gilmore Commission, Attorney General Report—all said we need a national strategy. What I'm asking is what has prevented us from adopting it? What can we do to overcome that inertia that General Clapper is referring to?

Mr. HOFFMAN. I think it is a national will to bring together this comprehensive net assessment, that it has to start for that position and it has to come from the Executive.

Mr. GILMAN. What do you recommend? How do we bring that about?

Mr. HOFFMAN. I think that there has to be, first, the process of net assessments has to begin, where we take the disparate pieces that have been used to define a threat and bring it together and have a coherent definition of what we need to plan against. I think

that would better identify what the requirements are than to approach it in the direction we do now without——

Mr. GILMAN. But I think the experts have all identified the problem. What I'm asking is how do we implement now the recommendations from the problem that you've assessed?

General CLAPPER. Well, there's probably two ways that can happen, sir. Either the Executive can step up to the task and champion a strategy and assume a position of leadership, or that direction can come from this institution.

Mr. CILLUFFO. Mr. Gilman, if I can also expand on that briefly, I agree that the executive branch plays a key role here. While we have seen a lot of talk for the past 8 years, it could be summed up—and perhaps unfairly—long on nouns, short on verbs. There was a lot of focus, but very little action and implementation.

I think that you clearly have to get someone who is above the specific agency roles and missions, so I can only see that coming from the leadership, and that has to be someone—because you have different roles and missions. For example, law enforcement wants to string them up, the intelligence community wants to string them along. It's not that they don't necessarily fight, but they've got very different missions in terms of their perceptions of the world.

I think that there are only two times in our rich yet, relatively speaking, young history where we really needed to ask these very fundamental questions, and those were the founding fathers, the very issue of the federalism debates, and then again right after World War II, where we created the National Security Act of 1947, where we saw the need to turn OSS into the Central Intelligence Agency.

So I think this is unprecedented in terms of timing in terms of asking the very basic national security needs and architectures we need to have in place, but I think that, with the new administration in place and some of the principal cabinet members, this will happen.

Mr. WERMUTH. Mr. Gilman.

Mr. GILMAN. Yes, Mr. Wermuth?

Mr. WERMUTH. To further answer, it really is a leadership issue, but it is more than that, too. If you look at these charts, all of these agencies have very clear statutory responsibilities, and all of the ones that are sitting there on the table will have pieces of this, depending——

Mr. GILMAN. It is obvious we've got too much fragmentation.

Mr. WERMUTH. We do, but let me suggest that part of the process, in terms of accountability and responsibility, is following the money. One of the specific recommendations that the Gilmore Commission makes, in terms of its structure, is giving a senior person in the White House some budget responsibility—certification and decertification—requiring all of these agencies to bring their budgets to a table to eliminate duplication, to match their budgets against the priorities established in the national strategy, so it has to be a focus that is centralized, with all respect to the proposal from Hart Rudman. If this isn't done in the White House at a very senior level with someone who is sitting very close to the President and has the President's authority to do it all, we came to the conclusion that an agency, a single agency, would never be able to pull

all of this together. I think, to a certain extent, that view is reflected in the CSAS recommendation that it needs to be in the White House, that there needs to be some senior oversight over this entire mishmash of organizations.

Mr. CILLUFFO. Mr. Gilman, could I build on that——

Mr. GILMAN. Yes, please.

Mr. CILLUFFO [continuing]. Very briefly. And, if I could be so bold, I sort of feel like a fisherman being asked his views on hoof-and-mouth. Obviously, it is a problem, and I'm here to tell you it is worse. But I think that Congress also needs to look at how it is organized to deal with this challenge.

Right now you've got a series of both committees with authorization oversight, and everyone claims——

Mr. GILMAN. Well, that's what this committee is all about.

Mr. CILLUFFO. And that's why I think this committee——

Mr. GILMAN. We're doing the oversight. We're trying to focus on that problem. But, more important, if I might interrupt you, more important, Mr. Wermuth said we need someone close to the White House. Several years ago there was a national coordinator appointed within the Security Council to take the responsibility. What I'm asking our panelists—and you're all experts now—how best can we implement the recommendations that are obvious to all of us—to have a national strategy, to get rid of the fragmentation, to make it an effective, coordinated policy? How best can this Congress act to accomplish that? Any recommendations by our panelists?

General CLAPPER. Well, sir, I tried to suggest that if the executive branch, the new administration, takes this on and devises a strategy and appoints a leadership with sufficient staff, wherewithal, and the authority, to include program and resources, I would hope that such a move would be endorsed by the Congress.

In the absence of that, then I guess I would suggest that, to the extent that people think that this is an important issue, that these things need to be fixed, that the Congress would legislate, as they have in the past, to mandate the creation of such a national strategy and the appointment of a leader.

Mr. SHAYS. Well, General Clapper, I welcome your recommendation. What do you think about the report by Senator Rudman today bringing about a commission in securing the national homeland.

General CLAPPER. Sir, if you are referring to the——

Mr. GILMAN. The Rudman Commission.

General CLAPPER [continuing]. Their proposal for a Homeland Security Agency——

Mr. GILMAN. Yes.

General CLAPPER [continuing]. An embellished FEMA. Sir, we spent in our commission, our panel, a lot of time looking at various models of what might be the best construct for a lead element in the Government, and so we went through a lead element, a lead agency, picking one of the current departments of the Government, whether it is Defense or Justice or Health and Human Services, and basically we for lots of reasons rejected that. We looked at the notion of an embellished, strengthened FEMA, and we're concerned there about the mixture of law enforcement and consequence management kinds of responsibilities. Of course, one of the major law

enforcement elements, the FBI, itself, would, of course, not be in this construct.

The other difficulty we saw was an agency, subcabinet agency, somehow directing the coordination across Cabinet-level agencies.

So we just decided that FEMA, which has been very, very successful, particularly under its recent leadership, is very well thought of, I have learned through my interactions with State and local people, by State and local officials, and that we shouldn't jeopardize the very important mission that it performs, perhaps embellish that and give them more resources, but not jeopardize what it does now by adding on these other agencies.

So our conclusion—and, again, I would mention that I think the nature of our recommendations is heavily influenced by the composition of our panel, which was heavily populated by State and local people—was an entity in the Executive Office of the President, politically accountable, appointed by the President, confirmed by the Senate, which would have this oversight and authority over the entire range of all these agencies and their programs, all individually well intended but not necessarily coordinated, and that would be the entity to do that.

Mr. GILMAN. Thank you, General.

Do any of the panelists disagree with General Clapper's conclusion?

Mr. CILLUFFO. Well, I wouldn't say disagree, but different areas of emphasis.

I do not think the breakdown is where the rubber meets the road and it is at the agency level, so I'm not sure if we really do need an agency, nor do I think we should ever have a super-agency, because it gets to some of the very fundamental presumptions of American ethos.

But I think the real problem is at the policy level, and a lot of that stems from policy without resources are rhetoric. You need someone who can marry up authority, accountability, with resources. The budgetary role which I think both of our reports alluded to, accentuated in different ways, is where the real problem, where the real breakdown is.

Mr. GILMAN. Thank you. I want to thank the panelists. Thank you, Mr. Chairman.

Mr. SHAYS. Thank you.

Mr. Kucinich.

Mr. KUCINICH. Thank you very much.

I thank the witnesses for being here today.

General Clapper, I looked at your testimony here about the major elements of a national strategy. Do you think preliminary to the execution of such a strategy there would have to be a comprehensive risk assessment nationally.

General CLAPPER. Yes, sir. And that topic was addressed quite substantially in our first report we published in 1999, which Dr. Hoffman had a great deal to do with, since he was working with us then. So we treated that subject—the whole issue of threat and the need for threat assessments, much along the lines of what Dr. Hoffman testified to in our first report.

So the short answer to your question is yes.

Mr. KUCINICH. Thank you, General.

Now, I looked at your testimony, and you say the national—you speak to a national strategy should be geographically and functionally comprehensive, should address both international and domestic terrorism. Then you go on to say that the distinction between terrorism outside the borders of the United States and terrorist threats domestically is eroding. What do you mean by that?

General CLAPPER. Well, I think in many—we've had a proclivity, I think, has been historically to sort of separate domestic threats as one set and those emanating from foreign sources as another. Of course, as we've seen the World Trade Center being, I think, an example that those nice, neat boundaries probably are not going to apply. I think this is particularly true in the case of the cyber threat and the potential terrorist threat posed in the cyber world or cyber arena, where the long arm of terrorism can reach out from anywhere else in the world and be reflected as an apparent domestic attack.

I think the mechanisms and the apparatus, the jurisdictional distinctions that we have in this country are going to be put to the test because of that erosion between heretofore distinct foreign threats and domestic.

Mr. KUCINICH. Would you agree that the FBI and the CIA have distinct and quite different missions in this Government?

General CLAPPER. They do, although I think they have done a lot toward working together in recognition of the fact that terrorists don't necessarily recognize political boundaries.

Mr. KUCINICH. So would you see then more of a role for the Central Intelligence Agency in domestic intelligence-gathering?

General CLAPPER. No, sir, I don't. What I see is what they're doing, and what I hope continues to occur, which is a close working relationship so that when the baton is handed off, so to speak, that it's not dropped between when there is evidence that a foreign-emanated threat is reaching into the United States, that baton is handed off, so to speak, between the CIA, which has a clear foreign intelligence charter, and the FBI, which has a domestic intelligence charter.

Mr. KUCINICH. Your sense is that right now we don't have a national intelligence-gathering apparatus? Is that what you're saying?

General CLAPPER. No, I didn't say that at all, sir. We do.

Mr. KUCINICH. Well, you say——

General CLAPPER. One of the elements of the entity that we are suggesting, the National Office for Combating Terrorism, would be a robust intelligence effort under the national coordinator, who would serve to bridge both the foreign intelligence overseen by the Director of Central Intelligence and the domestic intelligence, and we would see that as a major coordinating role——

Mr. KUCINICH. So it would be——

General CLAPPER [continuing]. As a part of that national office.

Mr. KUCINICH. General, would we be hiring new people then to do the national intelligence gathering?

General CLAPPER. I don't think so, sir. I think a few, perhaps, but I think what this really represents is somewhat the same thing that Senator Rudman was speaking of and General Boyd, which is a re-arraying, perhaps, in a more-efficient, coherent manner to deal with what this threat represents.

Mr. KUCINICH. In your testimony you say that to be functionally comprehensive the national strategy should address the full spectrum of the Nation's efforts against terrorism, and No. 1 you put intelligence. So what role does intelligence have then in your Homeland Security Act?

General CLAPPER. Well, I think intelligence is a key, as Dr. Hoffman testified, a key element of this. It should underpin our national strategy. I think there is a lot that can be done to disseminate intelligence, regardless of where it comes from, whether it is foreign or domestic, to selected appropriate State and local officials.

We have many intelligence-sharing relationships with foreign countries, so we certainly ought to be able to figure out mechanisms whereby we can share intelligence, for example, with State Governors or senior emergency planners in the States and selected local officials. Right now there is not a real good mechanism for doing that.

I would think—and our report describes—that this is a role that the National Office for Combating Terrorism could perform, and specifically the intelligence staff that we would envision that would be a part of it.

Mr. KUCINICH. I'm looking at these dozens of agencies and departments here which have various intelligence functions. I'd like to focus on the Federal Bureau of Investigation for a moment. Would it be your opinion that the FBI is not doing an adequate job in handling matters and challenges relating to intelligence gathering for the purposes of protecting the United States against domestic terrorism?

General CLAPPER. No, sir, I would not say that. And, on the contrary, I would emphasize something that I said earlier—that I think a lot of progress has been made because of what we've experienced in terms of a closer working relationship between the CIA and the FBI, so, as a lifelong professional intelligence officer, I wouldn't—I'm certainly not suggesting that they're not doing their job. They could certainly do it better if they had more resources.

Mr. KUCINICH. We've had testimony in front of this committee, Mr. Chairman, that would imply that we have a profound national security challenge, and if we do it would seem to me that the FBI would be the appropriate agency to deal with it and not to create an entirely new Governmental agency.

I share with you the opinion that the Federal Bureau of Investigation does an excellent job in handling a variety of challenges of a law enforcement nature. It seems to me that the Federal Bureau of Investigation has the specific charge to handle a number of the elements of a national strategy that you have already spoken to——

General CLAPPER. Yes, sir, in a domestic——

Mr. KUCINICH. May I—I'm not finished, General, if I may. Speaking of intelligence, deterrence, prevention, investigation, prosecution, preemption, crisis management, consequence management—that almost defines what the Federal Bureau of Investigation is about, at least the Bureau that I am familiar with, and it seems to me that in offering an entirely new structure here we may be wading into waters of duplicating existing Federal functions.

General CLAPPER. No, sir. On the contrary—and, first of all, I'm not suggesting—we weren't in our report a profound new agency. What we are suggesting is a comparatively small staff effort appended to the Office of the President to ensure it has the focus and the responsibility and the authority, and what we're really talking about, I believe, is simply marshaling the totality and focusing on the totality of our intelligence effort by ensuring coordination between the foreign and the domestic.

The CIA, in a foreign intelligence context, has potentially a role to play in all those dimensions that you enumerated. In virtually every case, I believe, the CIA potentially would have a role to play, as well, in working in partnership with the FBI.

Mr. KUCINICH. If that's the case, then, the CIA would inevitably become involved in matters relating to handling of domestic law enforcement challenges.

General CLAPPER. No, sir. I don't think so. I think this would be in every case, as it is done now, if it turns into a domestic scenario—and we're hypothesizing here—the CIA I think would be in support, if it turns into a domestic situation, in support of the FBI. I don't——

Mr. KUCINICH. But they would be sharing——

General CLAPPER. I do not——

Mr. KUCINICH. They would being intelligence.

General CLAPPER. I'm sorry, sir?

Mr. KUCINICH. They would being intelligence.

General CLAPPER. Yes, sir.

Mr. KUCINICH. And they do that now?

General CLAPPER. Yes, sir.

Mr. KUCINICH. And what do they do with the intelligence there if it is a domestic matter? The CIA would give it to the FBI and the FBI would handle it.

General CLAPPER. Well, I'm not sure I understand your question.

Mr. KUCINICH. Well, I'm just going back to the point I'm making, and that is that we talk about a Homeland Security Act, and I'm just wondering what's—there's implied here a criticism of the Federal Bureau of Investigation's abilities to respond.

General CLAPPER. No, sir. I don't think that's implied at all.

Mr. KUCINICH. Well, I would think that if we're talking about creating a reorganization here of some sort and with new oversight structure with budgetary authority, as Mr. Cilluffo had talked about, we're certainly talking about something new, and you cannot countenance such a discussion without it reflecting on the service of the Federal Bureau of Investigation to this country.

And one final comment, Mr. Chairman. I appreciate your indulgence. I agree with all of the panelists about the role of Presidential policymaking, because that really helps to set the tone as to what a Homeland Security Act would—what milieu it would operate in terms of policy. And I see two paradigms, Mr. Chairman, and I'll just be completed here.

If we look at a paradigm or a model of cooperation with other nations in solving security challenges, then this Homeland Security Act could be beneficent in its scope.

On the other hand, if a President, any President, began to ramp up the rhetoric and become involved in a cold war type atmosphere,

if we go into a new cold war theater with implied threats, confrontation with other nations, a Homeland Security Act in its scope would necessarily have a totally different meaning.

This is not, as you state, this is not neutral with respect to the policy that comes from the Executive, so it has to be, I think—always we have to think in terms of the context of the operation of the act and the international and national policy of an administration.

So if we enter into a cold war type scenario again, this particular proposal would have implications that some may feel would be quite challenging for the maintenance of civil liberties in our society.

I thank the chairman for his indulgence.

Mr. SHAYS. We're going to have opportunity to have dialog back and forth. This is the last panel, and we only have four Members. At this time I'd recognize Mr. Tierney. And we'll go for a second round. I still have my first to do.

Mr. TIERNEY. Thank you. I'll try not to cover any of the other ground. I apologize, I was at another committee meeting.

General Clapper, you, I believe, talked a little bit about a comprehensive terrorism policy. In that, are you also factoring in nuclear issues, threats of nuclear issues? And, if so, how do you go about prioritizing which is the more serious concern for us at any given time—threat from a nuclear problem or threat from terrorism?

General CLAPPER. Well, from a process standpoint, I would reinforce what Dr. Hoffman spoke to, which is the necessity for having the nationally sanctioned, nationally recognized threat assessment which would deal with specifically those issues.

Now, those are not static. They're not set in concrete. That could change.

My personal opinion, I'm inclined to agree with Senator Rudman. I think our current main focus perhaps ought to be in the chemical and biological arena, although I would comment that the weapon of choice continues to be for terrorists a vehicle-borne conventional explosive.

Mr. TIERNEY. Mr. Cilluffo, you talked about having or you alluded to a substantial amount of good news that deserves to be told. Will you tell us, you know, being aware of some of the critical challenges we face, what have been the accomplishments, in your view, in the last decade or so?

Mr. CILLUFFO. Sure. I do think there are some pockets of very good news, ranging from State and local exercises, which never seem to make its way, though—what goes on in Portsmouth, NH, or what goes on in Denver, CO, as we saw in a major exercise called "Top Off," often stays in those cities. So, while there have been some specific exercises, there have been some programs that are highly successful, State departments foreign—FEST team and the role linking in CDC and USAMARID within the Department of Defense into those programs are highly successful.

But, again, the whole remains far less than the sums of the pieces, and until you start looking at ways to work toward common standards, baselines, and the like, you are going to continue to have some areas of excellence but other areas that are neglected.

Mr. TIERNEY. Let me ask the other witnesses what they see have been the biggest improvements over the last 8 or 10 years.

Mr. HOFFMAN. I'm perhaps too much down in the weeds, but I would have to say, at least in the intelligence realm, it was the creation of the Counterterrorist Center at the Central Intelligence Agency that, on the one hand, knits together both the operational and intelligence sides of that agency, but also is an all-community entity that involves the FBI and all other agencies involved in anticipating foreign terrorist threats.

I think the proof, frankly, in a sense I think has been demonstrated that it has had a very good record in deflecting and thwarting terrorist acts in recent years.

Mr. TIERNEY. General.

General CLAPPER. Sir, I have been very impressed with the commitment and the concern at the State and local level. As a Federal servant whole professional career, this is not an area I was very familiar with, and through my engagement with the Gilmore panel and the SECDEF's Threat Reduction Advisory Committee and some other boards and panels I have been on, I have really been impressed by what is going on at the State and local level. In fact, I have been so impressed with it, and I think that's really where the focus needs to be.

I think there is a tendency on the part of us beltway denizens to sort of look from the top down, and there's a lot of good work, a lot of sophistication, I might add, at the State and local level about what is involved and what is needed, and there's a great commitment out there.

What the Federal level needs to do, I think, is to get its act together and complement and support and buttress what is going on at the State and local level.

Mr. TIERNEY. Would you do that with research and resources?

General CLAPPER. Actually, as indicated in our second report, there are a range of activities where the Federal level can facilitate and support—exercises and training, equipment standards, a medical plan where the Federal Government—that's a function that, from a national perspective, I think that leadership has to come from the Federal Government.

Mr. TIERNEY. Thank you.

Mr. WERMUTH. And if I could just expand on that a bit—and this is a view that is slightly different than the one that Senator Rudman and General Boyd espoused earlier—some of the really good news has been in the actual activities and programs undertaken at the State and local level.

There is a lot going on out there. In fact, my personal view is that most State governments, and even some larger municipal areas, are much better organized, much further along in their thinking about how to approach this problem than the Federal Government is.

There is a process called "emergency management assistance compacts." It is agreements between States to help each other in the event of an emergency like this or a natural disaster, and those are now in place in 42 States, and that continues to grow every day until we're going to—we'll probably be at 50 before the end of this year.

There are some great stories to be told in terms of multi-jurisdictional compacts and agreements within States. The Los Angeles area in California now has a consortium of some 72 jurisdictions that are focused on terrorists. They have a terrorism early warning group, a working group where all these jurisdictions get together and plan how they would respond. So those are great stories out there in the heartland, and General Clapper mentioned supporting those efforts, supporting their plans to create incident command systems, unified command so that they can approach this, the possibility of an attack, cohesively when the attack occurs, and that would mean then integrating the support, as well, from the Federal level that might have to be brought to bear if the incident were large enough.

Mr. TIERNEY. Thank you, Mr. Chairman.

Mr. SHAYS. I thank the gentleman.

I'd first like to ask each of all four of you what was said by the previous panel that you would disagree with.

General CLAPPER. Sir, I think the only thing we disagree on is the instrumentality or the entity to put someone in charge. Our construct in the Gilmore Commission was an office tethered to the Office of the President, as opposed to embellishing FEMA.

Other than that, I think we are in pretty much uniform agreement, certainly on the need, on the threat, on the need for a strategy, and on the need for firm, assertive leadership. I think the issue is implementation.

And, as Senator Rudman said, there's probably a number of ways that this can be accomplished. The important thing is the recognition of the need, the threat, and to have a national strategy.

Mr. SHAYS. Dr. Hoffman.

Mr. HOFFMAN. I think my expertise is more in the area of terrorist organizations and motivations than in the U.S. bureaucracy, so I have a different perspective. I would focus on their depiction of the threat.

I think that fundamentally the—I don't disagree completely, but I think the United States has to be capable of responding along the entire spectrum of terrorist threats, not just the high end ones.

I think that is important because there's the difference between WMD terrorism and terrorist use of chemical, biological, or radiological weapon that could not be at all motivated to kill lots of people but could be motivated to have profound psychological repercussions, and I think the terrorists realize that, and that has to be as much a factor. We've responded, I think, very much to the physical consequences and to emergency management. I think we also have to focus equal attention on the psychological repercussions.

Mr. SHAYS. Thank you.

Mr. Wermuth.

Mr. WERMUTH. The Hart-Rudman proposal on structure envisions, at least in our reading of their proposal, a super Federal agency that somehow is in charge. We have suggested—the Gilmore panel has suggested that the likelihood of the entity being in charge is most probably going to be the local—either the mayor or perhaps the Governor, and more so inside the State.

Our proposal suggests that you don't need someone at the Federal level being in operational control, a single entity because all

these agencies have part of that. You need to coordinate that piece in advance so that everyone clearly understands the role of all of these agencies, and then provide the support mechanism to whichever lead Federal agency might be selected, depending on the type of the incident, and particularly to support the State and local entity that probably is going to be really in charge of handling the overall response.

It is different in approach. Hart-Rudman, in the short definition, is top-down. The Gilmore Commission approach is bottom-up, recognizing that State and local entities are likely going to be the entities clearly first responding and really in charge of the situation, and the Federal piece is going to be a support mechanism.

Mr. SHAYS. So bottom line, though, again, with the General, it's the issue of how you structure the response?

General CLAPPER. Yes, sir. That's correct.

Mr. Cilluffo.

Mr. CILLUFFO. We, too, in terms of description, are very much singing off the same sheet of music. It's where the prescriptions——

Mr. SHAYS. With the general——

Mr. CILLUFFO. Actually, with both Hart and Rudman and with the Gilmore panel.

Mr. SHAYS. OK.

Mr. CILLUFFO. We don't see it as a top-down or a bottom-up; we see it as the convergence of both. And we placed more emphasis on the public health communities, but we didn't get to discuss the bioterrorism challenge in great depth and the threats to agriculture and the threats to livestock.

But the big issue is we all see the same need. We see the need for a whole slough of gaps, and they are all pretty much on the same topic. We see the need to marry up the same three criteria—authority, accountability, and resources. We, too, did see the need to enhance and capitalize FEMA; we just didn't see the need to balloon it as large as it may have been and incorporating other agencies and missions that have other very important missions at hand.

So, in reality, it is sort of a mix and match of all of the above here.

Mr. SHAYS. OK. I think we would all agree that the attack in Oklahoma was done by a terrorist; is that true?

Mr. CILLUFFO. Correct.

Mr. SHAYS. But more or less siding with you, Dr. Hoffman, on this issue, it wasn't a weapon of mass destruction. But let me ask, as it relates to weapons of mass destruction, the world—the cold war is over. I view the world as a more threatening environment that it's a more dangerous place. I happen to believe the cold war is over and the world is a more dangerous place.

Dr. Hoffman, do you believe that it is not a question of if there will be a terrorist attack using weapons of mass destruction but a question of when? I'm going to ask the same question of you, General, and you, Mr. Wermuth, and you, Mr. Cilluffo.

Mr. HOFFMAN. If you phrase it in terms of mass destruction, I would disagree with that.

Mr. SHAYS. OK. General Clapper.

General CLAPPER. The question, sir, is when?

Mr. SHAYS. Yes, not if, in the next 10 to 20 years.

General CLAPPER. Well, guess I would be more concerned, again, about—I mean, we have to be concerned with the full spectrum of threats. We can't just pick one and disregard the other. But I think the more likely threats will remain, at least as far as I can see, the conventional, perhaps large-scale——

Mr. SHAYS. You know, that's not really the question I asked. Dr. Hoffman, you've been clear. You believe there will be no attack by a terrorist in the next 10 to 20 years using a weapons of mass destruction. That's what you believe.

Mr. HOFFMAN. Against the United States, yes, but I would qualify that by saying a chemical or biological or radiological weapon, that I do believe.

Mr. SHAYS. Let me——

Mr. HOFFMAN. From a mass destruction——

Mr. SHAYS. Yes. I view chemical, biological, and nuclear—they are defined as weapons of mass destruction, aren't they? I mean, am I misusing the term?

Mr. HOFFMAN. I think incorrectly. I think they are three different weapons that have very different——

Mr. SHAYS. OK. Let's break it down. And I do want to be very clear on this. You all have been involved in this issue a lot longer than I have, but I ended up asking to chair this committee with the proviso that we would have jurisdiction of terrorism at home and abroad. I happen to think, what I have been reading, frankly, for the last 10 to 20 years makes me very fearful, so I have my own bias about this.

But let me just ask you, as it relates to each of the three—we'll separate nuclear as a weapons of mass destruction, I'll put chemical and biological together—and ask each of you if you think that the United States will face an attack by a terrorist using these weapons. First nuclear, Dr. Hoffman.

Mr. HOFFMAN. I would put nuclear on the low end of the spectrum, but phrased chemical/biological/radiological, yes, I do.

Mr. SHAYS. So it is a question of when, not if, on those two?

Mr. HOFFMAN. Yes.

Mr. SHAYS. General Clapper.

General CLAPPER. I agree with that.

Mr. SHAYS. OK. Mr. Wermuth.

Mr. WERMUTH. I'm going to answer your question a little bit differently by saying that it is easy to say it is a question of—it's not a question of if, but when, but that really goes to the heart of what we're talking about.

I believe that terrorists will attempt to use chemical and biological weapons. Those I would kind of put in the same category. Radiological and nuclear, I would say that the chances of that are no. But I don't even think you can say for chemical and biological that it is not a question of if but when unless you're doing what we're all saying here, unless you're collecting good intelligence, unless you're analyzing that good intelligence. I'm unwilling to say that there will be a mass destructive attack in the next 20 years because I don't think anybody has that crystal ball. We don't have any intelligence right now that indicates that anyone has that capability, but we'd have to keep watching it.

Mr. SHAYS. Wait. You misspoke. You clearly have intelligence that people have the capability.

Mr. WERMUTH. We have intelligence that nation states have capability; we don't have any intelligence that any terrorist group or individual currently possesses the capability to deliver a chemical, biological, radiological, or nuclear attack against the United States presently that would result in casualties in the thousands or tens of thousands.

Mr. SHAYS. OK. With all due respect, I would accept that on nuclear, but could I just—and we'll get to you, Mr. Cilluffo—I am really unclear as to how you can make a statement that there is not the technology for an individual cell of people, I mean a group, a small number of people to mount a terrorist attack using a chemical agent that would have devastating injury and death.

Mr. WERMUTH. I tried to be very careful with my choice of world.

Mr. SHAYS. I know. I don't want you to be so careful.

Mr. WERMUTH. I said no current intelligence that indicates that anyone currently possesses the capability. Is the technology there? Could they try to acquire the capability? Could they culture and perhaps transport and deliver an attack? Yes, that's in the realm of possibility, but there is nothing to indicate that any entity currently possesses that capability where they could deliver the attack.

Mr. SHAYS. Now, in Japan they didn't pull it off? Didn't they have the capability?

Mr. WERMUTH. Dr. Hoffman is more of an expert on this than I am, but I would argue that they didn't have the capability because they didn't have the effective means of delivering what it was they wanted to deliver so that the result was mass fatalities. That's clearly their intention.

Mr. SHAYS. And I would argue—but I'm probably foolish to do it, given Dr. Hoffman and you all are such experts—but I would argue that they didn't pull off what they had the capability of doing.

Mr. WERMUTH. They punctured plastic garbage bags with umbrellas as a means of dissemination. They did not have a capability effectively to disseminate the agent that they had in their possession.

Mr. SHAYS. That was in part because they didn't want to hurt themselves in the process. The issue of, you know, we have the mutual assured destruction seemed to matter to nations. It doesn't seem to matter to terrorists when they are willing to blow themselves up in the process.

So if they had been willing to release them and do it manually, they might have succeeded, and they had the technology. They just had to do it in person.

Mr. Cilluff.

Mr. CILLUFFO. Yes, Mr. Chairman, nor can you bomb an actor without an address, so deterrence needs to be rethought.

Mr. SHAYS. Say that again.

Mr. CILLUFFO. Nor can you bomb an actor without an address, so deterrence and compellence in terms of a national strategy needs to be re-thought-out in terms of foreign deployment and projection of power. It's a little different. This requires personalizing,

knowing some very specific information on what could be a very small cell or organization or group.

Mr. SHAYS. OK.

Mr. CILLUFFO. In terms of likelihood——

Mr. SHAYS. Not a matter of if, but when, on first nuclear——

Mr. CILLUFFO. Yes.

Mr. SHAYS [continuing]. And then——

Mr. CILLUFFO. I agree on the bio, on the chem side with the caveat it depends on consequences. You may have small-scale biological or limited-scale chemical attacks that could be, in some cases, even major, major events, worse than in Oklahoma City, but that doesn't mean necessarily an attack that will damage the fabric of American society.

But with that in mind, yes, I do think. The capabilities, as you referenced, exist. The intentions exist. There's no shortage of actors with views inimical to the United States out there in the world; it's when you see the marriage of the real bad guys wanting to exploit the real good things. Luckily, we have not seen that yet, but I do think we will.

Mr. SHAYS. See, my feeling about terrorists is they just don't have as good an imagination as I have, which—I mean, seriously.

Mr. CILLUFFO. Let's keep it that way.

Mr. SHAYS. And it's not a challenge to them, but most don't—one, two, and three are probably almost as far away from me as they are from Congressman Tierney. What would prevent terrorists from coming in and exploding that plan up and, in a sense, not causing maybe the deaths in the thousands and thousands, but certainly it would make all of lower eastern Connecticut uninhabitable for the next 10,000 years? What would prevent that? I mean, do you have to have some great weapons to do that?

Dr. Hoffman, tell me first about Tokyo and then respond to the question I just asked.

Mr. HOFFMAN. In Tokyo I would say what's interesting in the case is that something on the order of 50 scientists working full-time precisely on the means to develop and deploy chemical, and probably fewer than 20 scientists biological weapons. They attempted, through more sophisticated techniques than puncturing trash bags, to use biological weapons nine times through aerosol sprayers and the like, and it failed. That's why they moved on to chemical. They thought it was easier.

I think the lesson is not that some other terrorist group may not succeed but may not, indeed, learn from their mistakes, because one thing we do know that I think all terrorist experts will agree on is that terrorists learn from their mistakes much better than governments, the governments they raid against.

But I think what the Me case shows is that this is far more difficult to develop an effective chemical or biological weapon and then to achieve the dispersal.

On two other occasions Ome did use chemical weapons and used more-sophisticated aerosol spraying devices, and it also didn't work.

I think this is part of the issue, too, is that—and that goes to your question why wouldn't terrorists use some of these more-heinous types of weapons, and I think, on the one hand, it is because

terrorists know that they have problematical effectiveness. Let's look at the last conventional conflict where chemical weapons were used, and were used promiscuously by Iraq against the Iranians during the Iran/Iraq War. Chemical weapons accounted for fewer than 5 percent of—sorry, I want to make sure I'm right about that, sorry—fewer than 1 percent. Of the 600,000 fatalities in that war, 5,000 were killed with chemical weapons. And I have to say, in World War I, although the first use of chemical weapons shocked many people, fewer than 12 percent of the casualties were with gas.

So these I think psychologically are very powerful weapons, which the terrorists realize, and they realize that using them in a very discreet way will have profound psychological repercussions that I would argue we are not as prepared to deal with as perhaps the physical repercussions of them.

Tokyo is a perfect example to figure over 5,000 persons injured in that attack is widely cited, but in the issue of the "Journal of the American Medical Association" last year confirmed that approximately 75 percent of all those "injuries" were, in fact, psychosomatic, psychological effects of people checking into hospitals because they were so panicked, because there was an effect of not only could the fire department not respond to the physical consequences, there was not a very effective governmental communications strategy in place, so therefore exactly what the terrorists want, to sell panic, to create fear and intimidation.

Mr. SHAYS. I wonder, though, if when Great Britain had hearings and they had experts come and talk about the threat that Hitler presented in the 1930's, they would have had a lot of people give you 100 reasons why Hitler wasn't a threat, and then 1 day it dawned on people that he was one heck of a threat, and I wonder if it is the same kind of scenario here—that we are kind of coasting along, and you all are the experts. If you, Dr. Hoffman, don't feel the technology exists, then I have to concede that it doesn't exist because you are the expert. But it just flies in the face of so much of what this committee has uncovered.

General CLAPPER. Sir, if I could——

Mr. HOFFMAN. If I could just say one thing—it's not that the technology doesn't exist and it's not that I don't think we should prepare for it. I don't think we should focus on that exclusively.

If you're asking me as a terrorism expert what is the preeminent terrorist threat that the United States faces today, I would say a series of simultaneous car and truck bombings throughout the country, which would cause panic, which would demonstrate that terrorists coerced the building, which would be easier for them to do.

Mr. SHAYS. I mean, it wasn't very difficult, except they were caught, to bring—a few years ago I went down to Colombia because the DAS operation of Colombia, their FBI, lost their building. It was exploded. There was a chemical weapon that basically caused 700 injuries and 70 people killed in Colombia.

The question that I had there was it was agricultural chemicals. They took a big bus, they loaded it with agricultural weapons, and they blew up the building.

When you went into one of the tunnels—the Holland Tunnel, I think it may have been, but it was one of the tunnels in New York—they were simply going to take a truck with a chemical explosives, a car in front, and they would stop the truck catercornered, they would hop into their car, and drive off, and the bomb would detonate, you know, a minute or two later, and you'd have flames coming out like they were coming out of the barrel of a gun on both ends. I doubt people would take comfort and use the tunnels much. I mean, that can happen.

But let me ask you this: what is to prevent them from blowing up a nuclear site, a nuclear generating plant? I mean, do you have to have the technology to have radiation go then? What would be the technology? Dr. Cilluffo, what would it be?

Mr. CILLUFFO. Just the Mr. I'm not a doctor.

To be honest, what you are bringing out is what hopefully the terrorists don't think, and that's better-placed bombs—conventional terrorism on new targets which could cause mass casualties. A well-placed bomb at a LNG—liquified natural gas—facility or a nuclear facility or something lobbed into something else, yes, security and safeguards at our nuclear facilities do need to take these sorts of threats into consideration. Absolutely.

And you're right, it is partially imagination here, and hopefully they don't become too imaginative. And that, again, is not to say——

Mr. SHAYS. You know, that's really kind of—you know, "hopefully" isn't good enough.

Mr. CILLUFFO. I agree with you wholeheartedly.

Mr. SHAYS. And we know that's not the case. I mean, you know, they aren't unimaginative people. I mean, we can joke about it and we can say it, but they aren't.

Mr. CILLUFFO. I was actually referring to your comment. And I also agree that bits, bytes, bugs, and gas will never replace bullets and bombs, as Bruce referred to, either. But one of these could be a transforming event, where, as tragic as a major conventional terrorist attack can be, that's not going to shake the country's confidence to the very core.

So I agree, it is somewhat like looking into Hitler during World War II. It's finding the unexpected, not looking for the expected and trying to look for it within that noise level. It's looking for the thing that you're not looking for, and that is a concern, and I think that by all means one of these events, if successful, could transform society.

Mr. SHAYS. Yes. And my point in asking these questions is then to ask the reasons why we are here for the hearing. But, I mean, I don't like to have experts come—and I don't want to say it is going to be worse than it is going to be. I think, Dr. Hoffman, what you're doing is you're saying, you know, you need to know the threat as it exists and as it might exist so you can respond in an intelligent way. I mean, I value that tremendously. But I'm concerned that in the end that we will talk about this problem after there is an event, because I do think there will be an event. I don't think it will probably be nuclear, although, you know, if you speak to someone like my colleague, Curt Weldon from Pennsylvania, he's concerned that the nuclear backpacks in Russia aren't all ac-

counted for and the Russians say they are. But, you know, I happen to think that Curt Weldon, who has made so many visits to the Soviet Union, has a point that we should be concerned with.

I have more questions, but I am happy to——

Mr. TIERNEY. My only thought, just the one question on that, is that we are so reliant on a lot of things that work through satellite technology these days. What's our exposure of vulnerability if someone decided to go after satellites?

Mr. CILLUFFO. That is a topic that broadens the scope of the discussion today, and I do think vulnerabilities to our space assets is a critical issue that the United States needs to look at and needs to take steps to harden those targets.

And you could make the case, a very good case, that yes, that is part of homeland defense in the larger context. We are more dependent than anyone else on these forms of space satellites.

Mr. TIERNEY. When you look at how much we do depend on them, entire systems.

Mr. CILLUFFO. And you are absolutely right. From a dependency standpoint, whether it is our national security information or whether it is telecommunications, surveillance, radar——

Mr. TIERNEY. Well, a number of different things.

Mr. CILLUFFO. You're absolutely right, and that is something I do hope. And, looking at Secretary Rumsfeld's thoughts on this in the past, I do think that this is something we're going to see an awful lot of effort brought to bear, at least within OSD. You may even have—there's some discussion about a new Under Secretary for Space and Command and Control Communications, C4ISR, intelligence and surveillance, so I think that, with Secretary Rumsfeld in charge, those sorts of concerns will be addressed and first priorities. But I agree with you.

General CLAPPER. If I might add a comment, no one can say with certainty—none of us, and certainly no one in the intelligence community can say that there isn't another Omshon Rico somewhere out there that we don't know about who may be going to school on what—on the Japanese cult. This is an issue that the intelligence community is often critiqued for. In other words, the dilemma is do you only go on what is evidentiarily based, or do you go or plan on what is theoretically possible. That is kind of the dilemma we are in here with respect to potential terrorist attacks.

Mr. SHAYS. Thank you.

Let me be clear on this. You all have basically said—first off, you have responded by saying that it is not a question of when as it relates to nuclear. I mean, I think you all have made it—agreed that chemical, biological may be a question of when, but you particularly, Dr. Hoffman—and others reinforced it—are saying, you know, let's not lose track of what terrorists can do without having to use weapons of mass destruction. They can do a heck of a lot of damage.

But you all are saying to us—and if you're not, tell me this—that we do not have a strategy, a national strategy, to combat terrorism.

Is that true, Dr. Hoffman?

Mr. HOFFMAN. Yes, sir.

Mr. SHAYS. OK.

General CLAPPER. Yes.

Mr. WERMUTH. Yes.

Mr. CILLUFFO. Correct.

Mr. SHAYS. OK. And tell me—and each of you have done it well, but I'd like you to attempt it, in as succinctly as possible, why do you think we do not have a national strategy? I'll start with you, Dr. Hoffman.

Mr. HOFFMAN. It goes back to our assessment of the threat. I think we have disparate parts that we don't completely understand; that it has led us—and this is a very personal view—it has led us to focus perhaps exclusively or, if I can say that more kindly, perhaps too much on the high-end threats and to ignore the entire spectrum.

My concern is, again, how we would respond to and address an Oklahoma City type threat. I think certainly we've made tremendous strides in addressing the potentiality of biological and chemical threats, but at least—and perhaps my experience is too narrow, but when I was meeting with first responders in Oklahoma, Idaho, and Florida, the complaints from three very different States were very similar—that they felt there were tremendous opportunities to get chemical and biological kits to respond to that end of the threats, but things that they needed, such as concrete cutters, thermal imaging devices that would respond equally as well in——

Mr. SHAYS. You're just telling me a little bit more than I need to know right now.

Mr. HOFFMAN. OK.

Mr. SHAYS. So the bottom line is that—why?

Mr. HOFFMAN. I think we need a strategy——

Mr. SHAYS. I want to know why.

Mr. HOFFMAN [continuing]. And a threat assessment to plan against, and we don't have a clear one now.

Mr. SHAYS. And the reason? I'm just asking why? I want you—you said it once, but I just didn't want to lose track of it.

Mr. HOFFMAN. There is not a net assessment or a process to gather together the differing strands from different agencies.

Mr. SHAYS. OK.

General.

General CLAPPER. Inertia.

Mr. SHAYS. OK. Thank you. You did it very succinctly, even more than I wanted. Can you expand?

General CLAPPER. Let me suggest, if I may, sir, maybe another way to think about this——

Mr. SHAYS. Yes.

General CLAPPER [continuing]. Is that if you think of the terrorist threat in a military context—if I can put my former hat on—as a major contingency for this country, and the issue is whether we are basically—and I'm speaking broadly here—still working with the legacy of the cold war and the structure we had to confront the cold war and the bipolar contest with the former Soviet Union, now we are confronted with a very different threat, not necessarily a nation but nation state based, yet fundamentally the Government is still structured as it was, so that's another attempt on my part to answer your question.

Mr. SHAYS. Well, I think it is a very helpful one, frankly. I mean, our institutions are prepared to deal with something quite different

than a terrorist threat, and there are lots of implications, aren't there? There are implications that the military might have to say, "As important as this, this, and this is, this may be a more serious threat," and to acknowledge that may put some people, frankly, out of business or devalue in some ways their importance to someone who may have a more-important role to play in this new day and age.

I don't want to put words in your mouth, but that's what it triggered to me.

Mr. Wermuth.

Mr. WERMUTH. In my opinion, Mr. Chairman, the answer is leadership; specifically, leadership from the other end of Pennsylvania Avenue. The executive branch has the responsibility for developing national strategies of any kind. Congress can't do that. Congress can direct the strategy, but Congress doesn't have experience in developing national strategies.

Part of the problem I think, not to be too critical of efforts, well-intentioned efforts that have taken place, particularly in the years since Oklahoma City, but it is a lack of recognition on the part of the executive branch about the nationality of this issue. It can't be fixed with a couple of Presidential decision directives directed at a couple of Federal agencies. It can't be fixed by the Justice Department's view exclusively on how to handle this problem. It is a national issue. As General Clapper said, it is not just a Federal issue. It has got to be part and parcel of a national approach to addressing the issue.

From my own perspective, that has not been well recognized by the executive branch to this point.

Mr. CILLUFFO. As I did bring up earlier, I also agree executive leadership is absolutely critical and is probably the single-most-important element and ingredient to actually seeing action on what we are discussing today.

I also think that the different agencies that now need a seat at the national security planning table has changed. Public Health Service, Department of Agriculture were never really seen as agencies that needed a front-row seat at the national security community.

And I also agree with Mike Wermuth's comments that there's a tendency to look at the world through your own lens, through your own organizational chart, to look at the world's problems through your own organizational chart, when at reality you can't look at it through an individual lens but rather a prism that reflects all these different views. But then, again, that requires that belly button, that individual who can marry up authority, accountability, and resources.

And I do get back to resources. The Golden Rule: he or she with the gold rules. If you don't have anyone who has some——

Mr. SHAYS. No, that's the Gold Rule. That's not the Golden Rule.

Mr. CILLUFFO. The Gold Rule. Forgive me.

Mr. SHAYS. OK.

Mr. CILLUFFO. But it is——

Mr. SHAYS. I don't even have the courage to ask you the analogy of the belly button. That's a show stopper for me.

Do you have the courage to ask him?

Mr. TIERNEY. No.
Mr. SHAYS. OK.
Mr. CILLUFFO. One point.
Mr. SHAYS. One point?
Mr. CILLUFFO. A focal point.
Mr. SHAYS. A focal point. OK. That's good enough.

So you basically establish the problem exists, you basically agree that there isn't a national plan. You've explained to me why, and all of you have had slightly different responses, but they all, I think, are helpful to me to understand because that can then enable us to see how we work around that. So I get to this last point of each of you have kind of focused on the solutions of how we should approach dealing with this problem, and I'd like you succinctly to tell me, is it important whether we get in debate—it is important—I'll tell you what I've heard: that the position that Mr. Clark has within the White House needs to be brought more out into the open. I mean, we haven't really been able to get him to testify before our committee, for instance, and have a meaningful dialog because he is, you know, not under our jurisdiction. So at least should be someone that Congress has the right to review and look at and question and all that.

And then the question is: does that person end up becoming a czar? Does he end up becoming something a little more different, like was suggested by Senator Rudman? What is that? You've said it, but tell me what—is it important that the debate be about whether he is a czar or not a czar or so on? What is the important part?

General CLAPPER. Well, as far as the Gilmore Commission is concerned, we developed a great aversion for the term "czar" and steadfastly avoided using that term. That implies—I think it has sort of a negative connotation.

What I think I would characterize it as is an authoritative coordinator who is accountable and responsible and has the ear of the President.

Mr. SHAYS. With significant powers?
General CLAPPER. I think—well, significant powers——
Mr. SHAYS. A budget?

General CLAPPER. Well, has to have oversight and visibility over all the agency budgets that are—that we've got lined up here who have some role to play in this.

We were very concerned that the departments and agencies we do have who are lined up on the wall here do not abrogate their obligations and responsibilities that they are now charged with. We're not suggesting that, or that those should be all-subsumed, gathered up under one central organizational umbrella. That was not our intent at all.

What we were suggesting is that there needs to be an orchestrator, a quarterback, or whatever metaphor you want to use, who does have oversight and influence over the allocation of resources and funds and can account for and address duplication, overlap, or omissions where there is something that no one is doing that this entity—and it has to be something more than a very capable staffer on the National Security Council to do it.

Mr. SHAYS. So it is someone that is answerable, in the executive branch, answerable to the White House and Congress.

General CLAPPER. Absolutely. It should be someone appointed by the President and confirmed by the Senate, so that personage is politically accountable.

Mr. SHAYS. Dr. Hoffman.

Mr. HOFFMAN. Congressman, my expertise is very narrow. I can tell you how to organize a terrorist group, but much less so——

Mr. SHAYS. You look smart to me, though.

Mr. HOFFMAN [continuing]. But much less so how to tackle the U.S. Governmental structure. I defer to my colleagues on that one.

Mr. SHAYS. Sure?

Mr. HOFFMAN. Absolutely.

Mr. SHAYS. OK.

Mr. Wermuth.

Mr. WERMUTH. I would simply concur with what General Clapper said, with the addition that it is not just a matter of taking the national coordinator's position in the NSC and elevating it to Presidential appointment with Senate Confirmation. If you look at all the agencies on this table, it is more than just national security issues. When you consider the CDC and the other HHS functions, when you consider the Department of Agriculture and the possibility of agro terrorism, when you consider some of the other aspects, it is not just an NSC function as we know the National Security Council. It is much broader than that, which is why we suggested that this new director or this new entity should have oversight over all of these. Even though there is still an important National Security Council input and focus here, it is significantly broader and takes, of course, into consideration State and local functions, as well.

Mr. SHAYS. Mr. Cilluffo.

Mr. CILLUFFO. Well, to be blunt, Dick Clark has done some very good work as a national coordinator. I think that perhaps he has had too much on his plate. He's the coordinator for all things that go boom in the middle of the night, from cyber to CBRN to transnational crime—drugs, thugs, and bugs, I guess you could call it in the vernacular.

The difference that I see is the need to—is the ability to have some sway over budget, and this means certification and pass-back authority, in our recommendation, and, additionally, that would require congressional oversight.

You do want to be able to fire someone, too. Let's be honest here and get down to—I mean, when it comes to accountability, you want to point a finger to see why we should be doing things, why aren't we doing things, and why didn't we do something.

So I do think that it needs to remain within the executive branch, but within the EOP, in the Office of the President or Vice President. And, while it is a coordinator, that coordinator would define the yearly strategy, the annual strategy, and budget should be dovetailing through that strategy, and then they can even decrement a certain amount of an agency's counterterrorism-related budget if that particular agency isn't adhering to that.

Mr. SHAYS. You all have been very interesting, very helpful.

Is there a question that we should have asked that you would have liked to have responded to? Or is there a question that came up that you think you need to respond to before we close the record?

General CLAPPER. Sir, there is one issue I would like to bring up, since it came up in the Hart—in the earlier discussion with Senator Rudman and General Boyd, and that had to do with the issue of lead Federal agency and the implications there with respect to civil liberties.

I will tell you that this was probably the most intensely debated issue that has come up in the Gilmore panel in its thus far 2 years of existence. It is an issue the Governor, himself, feels very strongly about, and it is why we specifically recommended in our panel a discourse that in every case, no matter how cataclysmic an attack, that the lead Federal agency should always be civilian and never the Department of Defense. That's one issue that we weren't asked that I would like to address, and particularly on behalf of Governor Gilmore because I know that he does feel very strongly about it.

Mr. CILLUFFO. Can I just add to that very briefly?

Mr. SHAYS. Sure.

Mr. CILLUFFO. The debate is normally cast as an either/or, as if security and freedom are mutually exclusive. I don't share that. In fact, I see them as enabling one another.

Obviously, we should never infringe upon liberties in order to preserve them, but, at the same time, the American Government at the Federal, State, and local level have a responsibility to protect American citizens and their livelihood. Look at how much we've spent on projecting and protecting abroad. I don't see why protecting us at the homeland, given the potential threat, should be seen as anything else but truly the very core of what our national security community in the end is all about.

Mr. SHAYS. Would you agree, though, that it should be a civilian?

Mr. CILLUFFO. Yes. We did make—I did make reference in my testimony to the role of Department of Defense, but yes, I think it has to be civilian. But I also, at the same time, don't want the President to have to turn to that cupboard and then find it bare. So I would also say that many people think that DOD capabilities are arguably more robust than they are because of the civil liberty discussion. The truth is, there's not a whole lot there, either. We need to capitalize that capability so the President, who has the decision, could then decide who is taking charge, has those assets and capabilities at hand if and when, God forbid, needed.

Mr. SHAYS. Any other comment, any of you?

Mr. HOFFMAN. If I could have one final word?

Mr. SHAYS. Sure.

Mr. HOFFMAN. I think we should—and this is a much bigger picture, a comment. I think we need to resist the temptation to reflexively write off terrorists as fundamentally irrational or fanatical, as often has been the temptation in recent years.

Mr. SHAYS. Sure.

Mr. HOFFMAN. I agree entirely with Senator Rudman and General Boyd about the resentment against the United States. I was in Kashmir last month and certainly first-hand witnessed it from

relatively educated people, actually, and not even the fanatics necessarily, this anti-Americanism. But at the same time I think if we lose sight of the fact that terrorism, even for groups like Ome, who we don't understand, still remains instrumental and a logical weapon, and if we misread and misunderstand terrorists, I think we risk not preparing for the threats we really face.

I agree with you entirely about Hitler. My only difference is how Hitler would have attacked, not whether he would attack.

Mr. SHAYS. OK.

All of you have provided some tremendous insights, and I appreciate your patience in waiting to respond and your patience with our questions. We're learning about this every day, and you've added a lot to our knowledge. Thank you very much.

Mr. HOFFMAN. Thank you, Mr. Chairman.

General CLAPPER. Thank you, Mr. Chairman.

Mr. WERMUTH. Thank you, Mr. Chairman.

Mr. CILLUFFO. Thank you, Mr. Chairman.

Mr. SHAYS. With that, we'll adjourn this hearing.

[Whereupon, at 1:12 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

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